FBIS DAILY REPORT

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ALFONSIN PRESSES FOR COOPERATION WITH CHILE

PY230216 Buenos Aires Domestic Service in Spanish 0032 GMT 23 Nov 84

[Speech by President Raul Alfonsin at rally held in Rosario in support of Beagle agreement with Chile -- live]

[Excerpts] Friends of Rosario: [shouts and songs chanted] Less than a year ago, the people did not participate in anything, and because the people did not participate, because the people were not heard, we suffered a lengthy process of attacks on human dignity. We also suffered a process of relinquishing our natural resources. And because the people did not participate, Argentina had to go into tremendous debt. There was absolutely no answer to any essential demands for social justice.

We are convinced that peace with Chile involves the possibility of Argentina dedicating all its efforts to solve the most serious problem it is facing: the problem of sovereignty over our Malvinas Islands and against British colonialism. [applause and shouts]

Similarly, there is absolutely no doubt that we will defend our rights in the Antarctic with Chile, also against British pretensions. But in addition to all these advantages, we will have the possibility of integrating ourselves economically with the Republic of Chile. Our economies complement each other, and we can increase considerably our bilateral trade. But we can also take our products through the ports of Chile to the markets of the Southeast Asia, and the Chileans will also be able to take their products to European markets through our ports on the Atlantic. [applause]

Thus, we are going to strengthen an integration that will bring fundamental advantages to our peoples, and we will end the uncertainty of war. We will stop playing the game of those who from the outside are always pretending that the American states will remain separate in Latin America. [applause and shouts]

We must join efforts so that we may all feel the same pain suffered by all Americans who are discriminated against by the North which is increasingly binding us to its strategic ideas in the world of finance, against production and the development of our peoples. [applause]

SHOTS FIRED DURING PRESIDENT'S CORDOBA VISIT

PY222132 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0041 GMT 22 Nov 84

[Text] Buenos Aires, 21 Nov (NA) -- Tonight sources of the Interior Ministry minimized rumors of an alleged attack that was supposed to have been perpetrated against President Raul Alfonsin during his visit to Cordoba yesterday and denied that the rumors in this regard "had any basis in fact."

Ministry sources stated that "they had no information" on an incident of that nature and pointed out that what did take place were skirmishes between antagonistic groups and that as result some arrests were carried out and some persons were injured.

The incidents were staged by young members of the radical and Peronist parties on the corner of the General Paz and Colon Avenues in Cordoba.

The source noted that the Cordoba police had reported the firing of "one or two shots" more than 100 meters away from the president but that "the firing of a shot does not presuppose an attack against the president."

ALFONSIN RECEIVES VISITING ITALIAN OFFICIAL

PY212200 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1630 GMT 21 Nov 84

[Text] Buenos Aires, 21 Nov (NA) -- Senator Susana Agnelli, the Italian foreign affairs under secretary, today stated that "with pleasure" her country could mediate between Argentina and Great Britain in the conflict that the two countries have over the Malvinas Islands. Although she stressed that this was a personal opinion and that it was not an opinion given in her role as an official, she emphasized that Italy "with pleasure" would mediate. In statements she made this morning at Casa Rosada after a 30-minute meeting with President Raul Alfonsin, Agnelli stated that if Italy were asked, it could mediate in order to try and resolve the conflict with Great Britain.

She also stated that during future votes on the Malvinas question in the United Nations "Italy will find it hard not to vote the same way as the EEC." During the UN's last debate Italy was one of the member-countries that abstained. Regarding her meeting with the president, Agnelli stated that it was a "dialogue between old friends" and that they had "discussed matters pertaining to Italian cooperation." Regarding the latter, she announced that the Italian Government will invest $60 million in two projects in Salta and Mendoza Provinces.

She also considered as "improbable," due to certain circumstances, that Italian President Sandro Pertini will visit in December and said that the visit would take place in March.

Answering a question as to whether the foreign debt had been discussed, she stated that the president has told her that current times are very difficult for Argentina, but that the problem will be resolved.

FOREIGN MINISTRY DENIES BEAGLE TREATY SIGNING SET

PY211932 Buenos Aires BUENOS AIRES HERALD in English 21 Nov 84 p 11

[Text] (NA-DYN) -- A Foreign Ministry spokesman yesterday denied reports from Santiago quoting Chilean Foreign Minister Jaime del Valle as saying Argentina and Chile would sign the Beagle Channel treaty in Rome on November 29.

Albino Gomez said no date would be set for the ceremony until after next Sunday's non-binding plebiscite on the treaty concluded with Chile last month. President Raul Alfonsin has said the outcome of the plebiscite would decide whether the government would go ahead with signing the treaty. But reliable sources said Foreign Relations Minister Dante Caputo planned to fly to Rome on November 28 for the signing ceremony the next day as the government was taking it for granted there would be a majority 'yes' vote in Sunday's plebiscite.

Pope John Paul II is expected to speak on the benefits of the treaty reached through his mediation when he addresses 25 Argentine bishops currently in Rome for their ad limina visit to the Vatican, which takes place every 5 years.

Cordoba Archbishop Cardinal Raul Primatesta told the NOTICIAS ARGENTINAS News Agency by telephone from Rome that the pontiff was also expected to express hopes that democracy would be consolidated in Argentina and national reconciliation would become a fact. But the pope was not expected to make any reference to Sunday's plebiscite, the cardinal said.

STUDENT MEETING ON BEAGLE TREATY ATTACKED

PY220242 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 22 Nov 84

[Excerpt] Here we are with one of the eyewitnesses of an incident that just happened a few minutes ago. This is Andres (Belich), who is president of the University Federation of Buenos Aires [FUBA]. Good evening, Andres. An incident just occurred a few minutes ago during a meeting that was going to be held in the Law College of Buenos Aires University. Can you tell us what happened?

[Belich] Sure. There was a meeting scheduled at 1900 with Foreign Minister Dante Caputo during which the FUBA was going to announce its favorable position regarding the Beagle plebiscite. Caputo had said that he would not be able to be present, but Deputy Storani, president of the Congressional Foreign Relations Committee, was going to address the gathering.

When the meeting was about to start, at around 2000, the lights were cut and two tear gas bombs, as well as a smoke bomb were thrown. People started to run away and some violence occurred. All this forced the meeting to be held instead on the steps outside the college. Many people attended. In addition, all the student organizations of Buenos Aires University that were there expressed their repudiation of this attack against democracy. It seems that a minority sector still does not understand that violence was banished as a method on 30 October 1983.

BOMB EXPLODES AT PLANNED 'YES VOTE' RALLY SITE

PY231416 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1325 GMT 23 Nov 84

[Text] Buenos Aires, 23 Nov (AFP) -- A medium-powered explosive device exploded early this morning at the Velez Sarsfield soccer stadium where a rally will be held tonight to close the campaign in favor of the "yes" vote regarding the solution of the Beagle Channel conflict with Chile. [President Alfonsin is to attend this rally] The police also found and deactivated another bomb at one of the ticket windows of the stadium.

BRITISH PILOTS PERMITTED TO LEAVE FOR CHILE

PY230315 Buenos Aires TELAM in Spanish 0255 GMT 23 Nov 84

[Text] Rio Gallegos, 22 Nov (TELAM) -- The British pilots, Richard Francis Airey and John Giles Kershaw, and U.S. navigator Richard Mason left at 2320 from this city's airport for Punta Arenas, Chile. They left for Chile in the same airplane, DC-3 of the Polair Company, which due to a malfunction had to make an emergency landing in this city on 19 November.

STRIKES LAUNCHED TO PROTEST ECONOMIC POLICY

PY211857 Buenos Aires BUENOS AIRES HERALD in English 20 Nov 84 p 11

[Text] (NA-DYN) -- New strikes were announced yesterday by railway signalmen and national court workers as the Unified General Labor Confederation [CGT] warned that the current strike wave is a "formidable expression of discontent towards the socio-economic policy imposed by the government."

The signalmen's union announced three separate two-hour strikes on Friday to demand the same retirement benefits granted train drivers. All of the country's six lines are expected to come to a halt on Friday between 9 am and 11 am, 4 pm and 6 pm, and 10 pm and 12 midnight.

National Court Employees' Union (UEJN) delegates called on federal capital members to stage a 72-hour walkout to protest that a promised decree granting them the 19-percent pay hike given judges has not yet been signed.

"Court workers will take no more delays," the delegates said in a statement referring to the fact that the decree promised last week has not been issued.

In a parallel protest, the Court Workers' Federation (FJA) announced daily three-hour stoppages nationwide to begin today and continue through Thursday to voice pay demands.

The CGT last night issued a statement criticizing the government's "lack of an acceptable and responsible programme and the lack of concrete responses to the innumerable demands" made by workers. CGT members voiced their disappointment with the course of the socio-economic contract talks by boycotting a meeting of the contract's incomes policy committee held yesterday at the Economy Ministry.

The CGT Executive Board meets today to discuss the delay by Labour Minister Hugo Barrione uvo in responding to their wage demands presented two weeks ago.

Power workers continued voting yesterday with over 8,000 of the eligible 18,500 having cast their ballots. Voting closed yesterday in the federal capital while tomorrow is the last day for Greater Buenos Aires power workers.

An internal CGT faction loyal to Secretary-General Jorge Triaca yesterday defeated a list backed by the 62 Organizations in the tanning workers' union polls. Avelino Fernandez was reelected with 1,277 votes against the 844 going to Carlos Grey.

The staff of the National Animal Health Service began a 48-hour strike yesterday which threatened to block the transfer of live cattle from the nation's auction yards to meat plants.

Unrest Among State Employees

PY211922 Buenos Aires BUENOS AIRES HERALD in English 21 Nov 84 p 11

[Text] (NA-DYN) -- The socio-economic cabinet yesterday called on "all employees of the public administration and state firms to do their job normally" or else face "sanctions foreseen by the law", as union leaders announced that the government had promised to grant the sector a 25-percent pay hike for November.

The Unified General Labor Confederation [CGT] immediately countered the cabinet statement, warning that the country "could fall into social turmoil" unless the government changes its socio-economic policy.

Meanwhile, national court workers in the federal capital lifted a 72-hour strike yesterday after the government said it had issued a decree granting them pay hikes, though the 300,000-strong Metal Workers' Union, (UOM), warned it might take strike action soon as it charged that employers are tampering with a recent wage agreement.

In a statement issued after a meeting of ministers, the socio-economic cabinet said "sectoral concessions are not granted which part from the objective of fighting inflation" and warned state workers might be docked in pay for work days lost to strikes.

Simultaneously a high-level Government House source flatly denied a press report that state workers might be getting 40-percent wage hikes, while union leaders, after meeting with Labour Minister Hugo Barrionuevo, announced the government would be granting the sector 25-percent increases.

Education Minister Carlos Alconada Aramburu met with Teachers' Confederation (CTERA) leaders, but said the government cannot meet their demand of a $a32,000 minimum monthly wage. The teachers confirmed they would strike November 28 and 29 to press for the pay hike.

UOM, the country's most powerful industrial union, warned it would "unleash all its forces, on every front" if employers continue to avoid paying monthly pay hikes accorded last September between labour and business.

The Defense Ministry reported that striking computer technicians had gone back to work and, as a result, retired officers would be receiving October benefits soon.

The Committee of 25, an internal Unified CGT faction, won a landslide victory over the 62 Organizations in the Buenos Aires truckers' union polls held last Sunday and Monday. Backed by unionist and city councilman Ricardo Perez, a member of the 25, Jose Pestarino polled 6,959 votes to 1,933 for Julio Noseda of the 62 Organizations.

Santa Fe Police End Strike

PY212305 Buenos Aires TELAM in Spanish 2029 GMT 21 Nov 84

[Excerpts] Santa Fe, 21 Nov (TELAM) -- After 5 days of ever increasing tension, the police conflict has been resolved. Personnel of all ranks from the province's 19 regional units were demanding higher salaries. An agreement has been signed between the policemen, who had occupied their barracks, and the provincial government which grants a take-home salary [sueldo de bolsillo] of 31,500 pesos for the month of November.

Government Minister Eduardo Ceballos, together with a team of advisers and Finance Ministry officials, held a dialogue with a commission of the policemen. Several of the provincial government's proposal were rejected, because the policemen were demanding a take-home salary of 35,000 pesos and fundamentally an increase in the so-called basic salary.

The agreement between the policemen and the government minister states in its highlights that the provincial government promises to send a message to the legislature that will contain the following salary guidelines: The basic salary as of 1 November will amount to 22,540 pesos, from which all the legal discounts will be made, and they will be granted additional benefits amounting to 13,000 pesos, making a total of approximately 13,500 pesos (in take-home salary).

The basic salary for December will amount to 24,680 pesos and additional benefits will amount to 14,950 pesos, making a total of approximately 35,500 pesos.

The document then states that the provincial government will not adopt measure or reprisals, no matter the rank, and that the policemen promise to normalize services immediately throughout the province.

REACTIONS TO SILES' CALL FOR EARLY ELECTIONS

Mixed Response

PY201720 Paris AFP in Spanish 0048 GMT 20 Nov 84

[By Eduardo Paz R.]

[Excerpt] La Paz, 19 Nov (AFP) -- The powerful Bolivian Labor Federation (COB), which has kept the country at a standstill for 6 days with a indefinite general strike, has reacted negatively to the announcement that President Hernan Siles Zuazo will call for elections in May 1985 instead of mid-1986, as was foreseen.

Political sectors have reacted in various ways to the ruling coalition's proposal to reach an accord, reactivate the productive apparatus with economic and financial measures, and let Siles Zuazo's government exercise its full powers.

When announcing the unexpected decision to call for elections on an earlier date than planned, Interior Minister Federico Alvarez Plata stressed that the president had made the decision in compliance with the call from the Catholic Church, which in recent days asked parties represented in Congress to hold a "dialogue of national accord." The Catholic Church advocated a negotiated solution to avoid confrontations at a time marked by a serious economic and sociopolitical crisis.

COB Secretary General Walter Delgadillo has said that "the president has yielded to the demands from the right, but he has not granted the requests to improve the standard of living of the workers, who are the main defenders of the democratic process." Delgadillo then criticized the government further: "Workers have expressed their support for the 4-year presidential term set forth by the Constitution, for the defense of our rights and liberties, and for the preservation of democracy," he said. "Rightist and reactionary sectors have attacked these demands of the working class and of the Bolivian people," he went on. The COB persists in its demand that the government implement its emergency plan, which foresees salary hikes, price controls, a food supply, a moratorium on the foreign debt, control on foreign currency, defense of natural resources, and termination of the contracts signed with U.S. oil companies.

Socialist Party One (PS-1) Secretary Walter Vasquez Michel has disapproved of the decision to call for early elections, on the grounds that the government has yielded to the destabilizing pressure of rightist sectors. He pointed out that some labor and leftist sectors may sponsor the candidacy of COB Executive Secretary Juan Lechin Oquendo, which would be regrettable for the future of the nation.

The Democratic and Popular Unity, the ruling coalition, has not yet attained the internal unity that is essential for the implementation of its "economic" package. The Movement of the Revolutionary Left (MIR) and the Communist Party (PC -- pro-Soviet) have conditioned the implementation of the package with the nationalization of the Industrial Bank, which is owned by powerful foreign commercial, financial, and industrial sectors.

The possibility of a split within the government may be one of the factors that have aggravated the institutional instability that has afflicted Bolivia for several months. Despite this situation, Communist leader Marcos Domic has approved the call to elections, pointing out that "the elections must be held without restrictions." This would allow President Siles Zuazo and Vice President Jaime Paz Zamora to run in the elections. The Constitution rules that they may not run for another consecutive term.

Conservative opposition parties have reacted positively to the call for elections, although the Historic Nationalist Revolutionary Movement (MNRH), led by former President Paz Estenssoro, maintains its demand that the president, the vice president, and the Congress resign immediately "in order to guarantee that the elections will be clean." The elections should be called by the Supreme Court.

Political Parties Reactions

PY201435 [Editorial Report] La Paz Cadena Panamericana at 1130 GMT on 20 November carries reactions of various groups to the announcement of elections for May 1985.

In a declaration issued last night the private businessmen of Bolivia termed as "patriotic" President Hernan Siles Zuazo's decision to move the general elections date forward and hand over government on 6 August 1985.

La Paz Cadena Panamericana further reports that the various political sectors of the opposition are analyzing the government's decision to call general elections in 1985. This information was disclosed this morning during the political meeting sponsored by the Bolivian Episcopal Conference.

Panamericana then notes that in statements to local journalists Senator Fernando Baptista Gumucio [former finance minister] said that "President Siles Zuazo's unselfish attitude is a cause for great national hope, but I fear that the elections of May 1985 will only serve to resurrect the old ghosts which in three previous elections bogged down the democratic process."

Panamericana further reports that the Nationalist Revolutionary Movement is carefully analyzing the government's proposal and will soon state its position, while the Bolivian Socialist Falange has stated that the government should be handed over to the judicial branch and general elections should be held immediately.

The Panamericana report then states the Revolutionary Front of the Left is analyzing the government's proposal but "deems that it is not the solution to the socioeconomic crisis the country is enduring."

Finally, Panamericans notes that the Progressive National Force has voiced "its full agreement with the government proposal since it believes it will allow a democratic transition of power on 6 August 1985."

Parties Agree to 1985 Elections

PY220211 La Paz Cadena Panamericana in Spanish 2340 GMT 21 Nov 84

[Report by Cristina Corrales]

[Text] The signing ceremony for an important document called A Basic Political Agreement for a Solution to the Bolivian Political Crisis is not taking place. Father [Jose Gramon), the moderator of the 1-week-long political talks that just ended in La Paz, will not read the document.

[Begin (Gramon) recording] A Basic Political Agreement. Upon expressing their gratitude to the Bolivian Episcopal Conference for its patriotic and humanitarian contribution of promoting a political agreement aimed at finding solutions to the serious national crisis, the political parties represented at the National Congress hereby agree:

1. To reaffirm their decision to support the democratic system in the country to guarantee peaceful coexistence among the Bolivian people since this is the most suitable system for finding solutions to our pressing socioeconomic problems.

2. To reaffirm their respect for the Constitution and for the branches of government, which should exercise their constitutional powers in keeping with the principles of coordination and independence, which are the guiding principles of any democratic republican system.

3. To propose to the legislative branch and to sponsor the approval of a law calling for general and municipal elections for 16 (?June) 1985 in response to the publicly announced decision of the president of the Republic to enact the law, to oversee the elections, and to transfer government power on 6 August 1985.

4. To continue the dialogue (?to adopt all required measures) designed to defend, consolidate, and promote the democratic system.

I will now read a second document called the political agreement:

Concerning an issue raised by the Movement of the Revolutionary Left, MIR, regarding authorizing Vice President Jaime Paz Zamora to run as a candidate in the (?June) 1985 election, the political parties represented at the National Congress hereby commit themselves to passing this request on to the National Congress for favorable consideration, if it is constitutionally feasible.

These are the two documents which are now being signed. [end recording]

Father (Gramon) has just marked the end of the first stage of the round of talks among the political parties sponsored by the Catholic Church. The second stage will be attended by representatives of the Bolivian Labor Federation and of the private sector.

ARMED FORCES PERSONNEL CALLED TO BARRACKS

PY222358 Paris AFP in Spanish 2346 GMT 22 Nov 84

[Text] La Paz, 22 Nov (AFP) -- All Armed Forces personnel today had their leaves canceled and were called to barracks in order to safeguard the country's strategic installations -- such as the petroleum refineries, hydroelectric plants, and so forth -- from attacks by antisocial individuals. The measure was adopted amid an indefinite general strike called by the Bolivian Labor Federation (COB) which has virtually paralyzed socioeconomic activities in the country.

COB SUSPENDS GENERAL STRIKE ON 23 NOVEMBER

PY230030 La Paz Cadena Panamericana in Spanish 0000 GMT 23 Nov 84

[Text] The workers general strike has been suspended by the Bolivian Workers Federation [COB]. It is a suspension that has been dictated in order to analyze the economic measures the government has just released. Juan Lechin Oquendo gave this explanation.

[Begin recording] Of course, the plenum rejected outright the economic package that has become known to the COB. The general strike has just been suspended in order to study the effects of the brutal measures now adopted by the government. [words indistinct] [end recording]

That was the statement by Juan Lechin Oquendo reporting that the general strike has just been suspended. As of now, the country's activities will return to normal as much as possible.

SUPPORT FOR MALUF'S CANDIDACY DECREASES IN PDS

PY122330 Sao Paulo O ESTADO DE SAO PAULO in Portugese 11 Nov 84 p 1

[Text] Paulo Maluf, the progovernment presidential candidate, has not merely destroyed the Social Democratic Party [PDS], he has a "corrosive influence, he is the opposite of unity," and under his leadership, the PDS will reach the Electoral College "without support and reduced to the size of its own candidate, that is, it will be very small." This statement has been made by PDS Senator Carlos Chiarelli, of Rio Grande do Sul, who has agreed that a thorough investigation should be conducted on the corruption charges leveled against Maluf.

Meanwhile, Democratic Alliance candidate Tancredo Neves continues to increase his advantage. He now has 401 votes in the Electoral College, as compared to the mere 236 of his rival. Thirty-nine college members are still undecided and 10 will be absent. And the gap continues to widen.

Despite everything, Maluf said yesterday that neither if President Figueiredo asks him to step down nor if the Constitution sets forth that he has to resign will he step down. [as published] "The Constitution cannot be amended by the will of a single person. I am a candidate in direct or indirect elections and also in the parlimentary system," he stressed. He added that he will not authorize any of his supporters to vote for Tancredo. Distressed, Maluf has confirmed that he is the only one who believes in his victory, because his supporters themselves have reiterated that a collapse is inevitable, they want Maluf to spare them the humiliation. On 10 November, even pro-Maluf Senator Carlos Alberto (PDS, Rio Grande do Norte), Figueiredo's official spokesman, admitted that Maluf should resign to prevent an inevitable defeat at the Electoral College.

PDS BOARD STIPULATES PARTY LOYALTY IN VOTING

PY211650 Sao Paulo Radio Bandeirantes in Portuguese 1550 GMT 21 Nov 84

[Excerpts] In a secret session, the National Executive Board of the Social Democratic Party [PSD] decided to close the debate on the candidacy of Paulo Maluf, thus demanding that PDS lawmakers who will vote at the Electoral College observe the party loyalty principle. Journalists covering the event issued a declaration strongly condemning the decision to hold the session in secrecy. Carlos Rodrigues filed this report from Brasilia:

[Begin Carlos Rodrigues recording] By a 74 to 8 vote, the PDS National Executive Board approved the closing of the debate on the application of the party loyalty principle at the Electoral College, which will choose the next president of the Republic. The decision was made during a secret session late this morning. This measure is aimed at uniting the PDS behind its candidate, Deputy Paulo Maluf, thus preventing PDS dissidents from voting for Tancredo Neves, the opposition candidate.

Deputy Israel Pinheiro, one of the PDS liberal front leaders has reported that the front will take legal action before the Electoral Court against the decision by the party's Executive Board.

Journalists covering the PDS meeting protested against the decision to hold the meeting in secrecy. In a note addressed to the PDS, they pointed out that the country needs to know the ideas and position of its lawmakers.

Despite the atmosphere of euphoria that Maluf followers tried to create around the meeting, actual facts have shown that the party is divided, because not even government representatives attended the session. [end recording]

Members Must Vote for Maluf

PY220104 Brasilia Domestic Service in Portuguese 2200 GMT 21 Nov 84

[Excerpts] With a vote count of 74 votes in favor, 8 votes against, and 2 abstentions, the Social Democratic Party board today decided to order all PDS members to vote for PDS candidates at the Electoral College. According to this decision, all PDS representatives to the Electoral College, which will elect the next president, will have to vote in favor of PDS candidates Paulo Maluf and Flavio Marcilio.

FIGUEIREDO OBSERVES SONDA IV ROCKET LAUNCH

PY220124 Brasilia Domestic Service in Portuguese 2200 GMT 21 Nov 84

[Excerpt] President Figueiredo today arrived at the military airport in Natal at 1320. After exchanging greetings, the president went by car to the Barreira do Inferno launching center to watch the launching of the Sonda IV rocket.

Before the launch, Figueiredo watched a film on the development of Brazilian rocket technology and was briefed on technological matters by General Hugo Piva, the director of the Aerospace Technological Center [CTA]. Later, the president watched the launching of the rocket from the observation platform. The rocket burned its first stage as scheduled after 1 minute, and its impact was recorded about 311 km from the launching area in the Atlantic Ocean 15 minutes later.

The Sonda IV rocket is a test model for the first Brazilian satellite launcher that will be launched in 1989 by the Alcantara Center in Maranhao. The next Sonda IV test is scheduled for August 1985, in keeping with the Brazilian space program, which plans to launch four other rockets to test all the components to be used in the satellite launcher.

TELECOMMUNICATIONS SATELLITE LAUNCH SET FOR JAN

PY161321 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 16 Nov 84

[Text] President Figueiredo has announced that the first Brazilian domestic telecommunications satellite, Brasilsat, will be launched in January and that it will serve 4,000 municipalities throughout the country.

BRIEFS

OCTOBER TRADE FIGURES -- Yesterday Carlos Viacava, director of the Foreign Trade Department revealed that Brazilian exports during the month of October amounted to $2.373 billion while imports amounted to $1.163 billion which shows a surplus of $1.210 billion. As a consequence Brazil's accumulated trade surplus until the month of October, amounts to $10.863 billion. [Summary] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Nov 84 p 33 PY]

PINOCHET ON BURDEN OF GOVERNMENT, ROK VISIT

PY230017 Santiago Domestic Service in Spanish 2200 GMT 22 Nov 84

[Report by Daniel Ortiz from La Moneda Palace]

[Text] President Augusto Pinochet revealed this afternoon that negotiations for signing the peace and friendship treaty with Argentina are proceeding very well. He confirmed the possibility that he may accept an invitation to visit South Korea, but did not mention any date. He said: I have been invited by the government of that friendly country, and I expect that I will have the opportunity, circumstances permitting.

President Pinochet presented some [word indistinct] to the journalists accredited to La Moneda, and said that Finance Minister Luis Escobar Cerda had fully reported to him on the negotiations he concluded in the United States recently with the international banks. The President referred positively to these negotiations. He reiterated that the Chilean Government will comply with all its international monetary obligations, and that in this way the country's financial balance will be ensured. This does not mean, Pinochet said, that we can loosen our belts, but it does mean that conditions in 1985 will be less harsh.

He expressed his recognition for the support shown to him during his visits throughout the country. He recalled that he has been wearing the military uniform for 52 years, adding that the intense efforts he devotes to running the government have not been a burden to him, but have been a pleasure because he is always thinking of the common good of Chile. Chile is present in all my activities, it is above my own family and my own life, the chief of state said. Running the government causes worry and concern, but these are forgotten when one realizes that one is serving the country, especially when one sees the results, Pinochet said. His hope and concern is the education of the youth, because the youth will take responsibility for governing the country in the future, Pinochet concluded.

BOMB DAMAGES 2-BLOCK AREA IN VALPARAISO

PY221845 Paris AFP in Spanish 1428 GMT 22 Nov 84

[Text] Valparaiso, 22 Nov (AFP) -- Official sources have reported that a bomb that was prepared with at least 40 kg of dynamite today went off in the Chilean port of Valparaiso, close to a police station building and regional government headquarters. The blast occurred at 0130 in the morning (0430 GMT), during the night curfew hours imposed by the government in the larger Chilean cities under a state of siege.

The bomb was placed inside a car left a short distance from the Carabineros regional headquarters. Seven other vehicles were damaged. The shock wave caused by the blast shattered some 2,000 windows within 2 blocks of the explosion's site. No casualties were reported among police personnel in the area. The AFP correspondent has confirmed that the blast damaged even the 20th story of some privately-owned buildings and numerous public offices, including regional government headquarters.

A bomb of similar strength was detonated 3 weeks ago in Santiago, in the main entrance to the military junta building, causing serious damage in a large area. The attack was also staged early in the morning. The outlawed Movement of the Revolutionary Left (MIR) has claimed responsibility for this attack. The MIR is promoting the armed struggle against President Augusto Pinochet's regime.

Cuadras on Dynamite Attack

PY222353 Santiago Domestic Service in Spanish 2200 GMT 22 Nov 84

[Text] The dynamite attack in Valparaiso has the same characteristics as the terrorist attack in the Torres sector of San Borja in Santiago, said Minister Secretary General Francisco Javier Cuadras. At a meeting with journalists accredited to La Moneda Palace, Minister Cuadras revealed some information about events that took place today. In the first place, he talked about the return of Finance Minister Luis Escobar, saying that according to reports, Minister Escobar's visit to New York can be termed quite positive. Referring to the attack in front of the Centenario building in Valparaiso, Minister Cuadras said that fortunately there were no casualties. The car was a Peugeot 504, with a Vina del Mar license plate, and contained a large amount of dynamite, the minister noted.

[Begin Cuadras recording] The explosive device contained, according to a technical report, several kgs of dynamite. It was similar to the one used in Santiago at San Borja. Several buildings were damaged besides the Centenario, such as the National Merchant Marine House, the Intendancy of the 5th Region, the headquarters of the 8th firemen's company, some other buildings, and a couple of vehicles parked nearby. Fortunately, there were no casualties. [end recording]

Minister Cuadras said that the government expected that the wave of terrorism that went on until the state of siege was imposed would return after the first few days of the state of siege. He said that the case of Valparaiso was the first serious attempt to resume that wave of terrorism. To prevent within reasonable limits the repetition of such acts, all possible measures to ensure order and security have been adopted. He reported that the explosion went off at 0145, and the tactic used was that of the parked car with a time bomb inside. The vehicle may have been parked there in the afternoon, said the minister, and so it cannot be said that the attack was enacted during the curfew.

As for the arrest of some politicians, Minister Cuadras affirmed that the Interior Ministry has the authority to order the arrest of some individuals. I understand, he said, that the arrest of people connected with the Popular Democratic Movement has been ordered. He added that a small number of persons are now at the disposal of the Interor Ministry. He confirmed that two female journalists were arrested while participating in a street disorder. They are Marian Eugenia Lorenzini and Constanza Bernardina Penna, and they are now at the disposal of the Interior MInistry.

AD PRESIDENT CALLS UPON PEOPLE TO MOBILIZE

PY212050 Madrid EFE in Spanish 0404 GMT 21 Nov 84

[Text] Santiago, 20 NOv (EFE) -- Socialist Ricardo Lagos, president of the Democratic Alliance (AD), today asked for the massive participation of all citizens in future mobilizations in support of democracy in Chile. The opposition leader asked that the upcoming mobilizations become the greatest demonstrations of a people who peacefully, but without fear, are seeking to express their desire for freedom. As the representative of the Socialist bloc, Lagos heads the opposition coalition to the military regime of General Augusto Pinochet for November and December as part of the rotational process that includes the Radical, Republican Rights, Social Democracy, and Christian Democratic parties.

In a political report delivered to the foreign media, Laogos evaluated the Chilean situation by saying that it is necessary of introduce changes in the country. He recalled that governments of different ideologies are emphatically saying that human rights can no longer continue to be violated in Chile. He also pointed out that the Catholic Church does not accept this step backward.

PEACE AGREEMENTS DO NOT PROTECT CRIMINALS

PA210311 Bogota EL SIGLO in Spanish 13 Nov 84 pp 1, 3

[Text] Yesterday, the government announced that the agreements reached between the Peace Commission and the subversive groups do not protect individuals who participate in kidnappings, extortion, and murder. Furthermore, it ordered that effective measures should be taken throughout the country to guarantee security.

A note signed by President Belisario Betancur, Defense Minister General Miguel Vega Uribe, and Government Minister Jaime Castro Castro was sent to governors, intendants, commissars, mayors, brigade commanders, military, police and security chiefs. The note states:

We wish to remind you of the agreements reached between the Peace Commission and the subversive groups -- the Revolutionary Armed Forces of Colombia [FARC], the Marxist-Leninist Communist Party [PCMC], and People's Liberation Army [EPL], the 19 April Movement [M-19], and the Workers Self-Defence [ADO] -- which the government approved, and which established the cease-fire and stopped activities considered illegal by the existing penal laws. This means that anyone who carries out actions that violate the penal laws, such as kidnapping, extortion, blackmail, and murder are not protected by the agreements and under no circumstances should anyone engaging in these activities be considered as such. Therefore, activities and actions anywhere in the country that violate the penal laws should be controlled and punished by the civilian, military, police, and security authorities through legal measures aimed at creating a climate of peace, and as quickly as possible to eliminate the unrest caused by such criminal activities.

The agreements have established obligations and responsibilities for those who accepted them as part of their desire and decision to cooperate in ending the fighting and criminal activities. We hope that you assume this responsibility immediately so that the peace process, which has already begun, leaves no doubt and becomes effective as the people are expecting.

The commanders of the military and security forces will use the provisions, based on the letter and spirit of the peace agreements, and act without delay to control the insecure situations that crimes occurring in some parts of the country are creating. Under no circumstances should these crimes fall under the protection of the agreements, and in no way are the authorities barred from assuming their responsibilities wherever a state of unrest appears. Therefore, you must act accordingly and constantly inform us of the details regarding what is happening.

[Signed] Belisario Betancur, President of the Republic; Jaime Castro Castro, Government Minister; General Miguel Vega Uribe, Defense Minister

AGENCY AGAINST KIDNAPPING, EXTORTION ORGANIZED

PA200350 Bogota EL TIEMPO in Spanish 11 Nov 84 pp 1 A, 3 A

[By German Acero Espinosa]

[Text] In an effort to eliminate one of the most terrible scourges in the country, Colombia's Armed Forces have organized a modern Intelligence Agency Against Kidnapping and Extortion [Central de Inteligencia Contra el Secuestro y la Extorsion]. This agency will operate in cooperation with the Special Operations Group, GOES, and the Administrative Department of Security, DAS.

Acting Defense Minister General Miguel Vega Uribe made this announcement to EL TIEMPO yesterday while inaugurating one of the police helicopter air bases used against drug trafficking. The base is located at the Guaymaral airport in the northern area of Bogota.

Gen Vega Uribe said that this new unit will operate with the DAS and the GOES through action organizations such as the Economic and Social Advisory Committee, CAES, which was formed by the Army, the DIJIN, [expansion unknown], and the SIJIN [expansion unknown] in an effort to fight kidnapping and extortion.

All activities will be centered in this new organization, which will be a part of the Armed Forces General Command and will have, in addition, legal advisers to facilitate operations and investigations in kidnappings and extortion cases that might occur in the country in the future.

A central office will gather all the information that will be the basis for investigations, while the operations will be coordinated with members of the CAES and the GOES, organizations specialized in the rescue of kidnapped persons. These cases are currently handled by the DAS and the police. Perhaps the most important aspect of this organization is that it will operate throughout the country through small sections of the Army's 14 brigades and divisions. To this end, an Army colonel and a police colonel, who will handle all operations, have been appointed.

It has been planned to give this organization modern equipment in the future. It will also have an extensive communications network throughout the country that will turn over figures and data to investigators, who will attend special courses in Bogota. A Defense Ministry sources said: "Through this new unit, we plan to organize operations against kidhappings, one of the crimes that has lashed out at the nation most frequently. More than 130 people have been abducted in the past few years."

DIJIN Commander Colonel Miguel Alfredo Maza Marquez -- DIJIN is one of the most successful organizations against kidnappings -- said that 40 persons were rescued throughout the country during 1982 and 1983.

The officer, who commands the GOES, one of the most specialized bodies in the struggle against abductions, said that, in 1984, when the number of abductions increased significantly, 24 persons were rescued safe and sound without having to pay a single cent of ransom.

BRIEFS

COMMUNIST PARTY ELECTIONS -- Bogota 11 Nov (DPA) -- The 14th annual congress of the Communist Party of Colombia has elected a new 80-member Central Committee and a new Executive Committee. The Central Committee is composed of Gilberto Vieira, who was reelected as secretary general; Mario Upegui; Gustavo Osorio; Argelino Garzon; Manuel Cepeda; Teofilo Forero; Hernando Hurtado; Jose Arizala; Alvaro Mosquera; and Jesus Villegas. [Summary] [Bogota DPA in Spanish 1945 GMT 11 Nov 84 PA] Last week during the 14th congress of the Communist Party of Colombia new Executive Committee members were elected. Gilberto Vieira was reelected secretary general. Other Executive Committee members are: Jesus Villegas; Alvaro Vasquez; Mario Upegui; Gustavo Osorio; Manuel Cepeda; Carlos Romero; Roso Osorio; Angelino Garzon; Teofilo Forero; Hernando Hurtado; Jose Arizala; Alvaro Mosquera; Jaime Caicedo; and Miller Chacon. The following were elected as alternate members: Luis Hernan Sabogal; Jose Antequera; and Gilma Valencia. [Summary] [Bogota EL TIEMPO in Spanish 13 Nov 84 p 6 PA]

FINANCE SECRETARIAT'S 9 MONTH REPORT TO CONGRESS

PA210238 Mexico City THE NEWS in English 17 Nov 84 pp 1, 35

[Text] The Secretariat of Finance delivered to Congress Friday a report on the leading economic indicators during the nine-month period, January to September 1984. The majority of the figures released correspond to or are improvements on government forecasts for the period.

President Miguel de la Madrid on Friday also delivered a report to Congress dealing with tariff practices, the evolution of the nationalized banking system, and the administration and control of exchange rates. The tariff modifications proposed to Congress by President de la Madrid included the raising of protective tariffs for 606 products and the lowering of barriers for 583 products considered by the president to be vital to industrial production and employment levels. Added-value duties were also reduced for 48 products to encourage their export.

The Finance Secretariat report revealed that the unemployment rate decreased during the period January to September, the number of people insured through the Social Security system increased nearly seven percent, and the inflation rate slowed, with prices rising at an annual rate 15.8 percent below that registered in the first nine months of 1983.

The current account showed a positive balance of 3.3 billion dollars through July, despite an increase in private sector imports of 62 percent. The gross international reserves of the Bank of Mexico rose 2.17 billion dollars for the first two quarters, reflecting the increased export of non-petroleum products. This surplus will enable Mexico to repay some one billion dollars of its foreign debt contracted in early 1983 under "onerous conditions," the report states.

Figures for public finances show a 1.05 trillion peso deficit through September, representing 69 percent of the deficit allowed for in government projections for the year. This deficit is being financed with 696 billion pesos of internal loans -- including 214 billion pesos brought in from the sale of treasury notes and bonds -- and 355 billion pesos of foreign credit. In U.S. currency, net foreign credit came to 1.8 billion dollars for the first three quarters, 45.4 percent of the foreign indebtedness authorized by the government plan for 1984. The report credited the lower-than-expected figure to the government policy of restricting imports to those goods and services required for industrial development.

Details of the debt restructuring agreement reached earlier in the year were also released in the finance secretariat's report. Of the total 69 billion dollar public debt, 48.5 billion dollars are in the process of being restructured. Interest rates for the restructured segment of the debt will be pegged to the London Interbank Offered Rate (LIBOR) instead of on the New York prime rate. Rates will average 1.11 percent above LIBOR, one-eighth of one percent lower than the previously contracted rate.

Productive sectors also showed an increase from the period January to August 1983. Electricity production rose 6.9 percent, while production of unfinished products and capital goods both increased 1.3 percent. This production surge translated into a rise in employment, as shown by the greater number of people insured by social security during this period. Commercial banking witnessed an increase in money on deposit to 1.9 trillion pesos through September, representing a real increase (adjusted for inflation) of 4.7 percent. Banks provided 925 billion pesos of credit to productive activities in the first nine months of 1984, a figure 41.3 percent higher than that provided in all of 1983. The supply of money in the economy was reduced 10 percent from January to September, the report noted.

The public sector deficit of 1.05 trillion pesos was 99 billion pesos less than forecast by government economists.

The report attributes this fortunate development to a drop in the rate of increase of government spending, as well as to higher government revenues for the year to date. Compared with the same period in 1983, public sector revenues shot up 71.9 percent through September of this year, while the Federal government budget showed a 68.6 percent rise. The parastate sector registered a 80.4 percent jump from the previous year. The report did not specify that inflation was accounted for in revenue figures.

According to the president's report submitted to Congress, the banking system has renewed normal operations, as reflected in the profits earned by the nation's credit institutions. The report noted the 50 billion pesos in earnings represent an important accumulation of internal savings. The report also proposed the formation of a Federation of Banking Syndicates to protect the jobs of bank employees, and noted that reimbursement of bank shareholders is proceeding at a fast pace.

BANAMEX PROVIDES FIRST-HALF 1984 IMPORT FIGURES

FL161936 Mexico City NOTIMEX in Spanish 2250 GMT 15 Nov 84

[Text] Mexico City, 15 Nov (NOTIMEX) -- The National Bank of Mexico (Banamex) has reported that in its October review of the national economy, it determined that Mexican exports totalled $11,762 billion in the first half of 1984. Exports of manufactured goods increased 32.2 percent, accounting for 18.1 percent of total exports, compared with 15.6 percent during the first half of 1983.

The Banamex report says the level of monthly remittances was stable during the last quarter of 1983, which shows that financial resources were available but that Mexican businesses did not increase their foreign sales.

Regarding domestic price increases, the report says they are due to rising costs attributable to the low level of foreign sales and to controls on imports. Regarding foreign trade, it says an effort must be made to promote sales abroad, a goal which is opposed to the growth of national imports.

SILVA HERZOG ON FOREIGN DEBT RENEGOTIATION ISSUE

FL220222 Mexico City NOTIMEX in Spanish 2250 GMT 21 Nov 84

[Excerpts] Mexico City, 21 Nov (NOTIMEX) -- Mexico will continue to act in an autonomous manner on renegotiating its foreign debt, because national interests are uppermost, Mexico's Secretary of Finance Jesus Silva Herzog reiterated here today. On presenting the 1985 revenue law to the 52d Mexican legislature, Silva Herzog voiced his disagreement on Mexico forming part of a bloc of nations for a global renegotiation of their debts.

Replying to statements made by deputies from various political parties, he stated the necessity of creating the proper internal conditions for the regeneration of capital.

EMERGENCY FISCAL MEASURES SPARK PROTEST

Law on Economic Emergency

PA191736 Panama City LA PRENSA in Spanish 17 Nov 84 pp 1 D, 2 D

[Law 46 on emergency fiscal measures, published in OFFICIAL GAZETTE No 20185 on 15 November]

[Text] The National Legislation Council decrees:

Article 1:

Article 732 of the Fiscal Code is modified to read as follows:

"Article 732. The comptroller general's office, the autonomous and semi-autonomous state institutions, and the municipalities will deduct and retain every month or whenever these sums are paid, from the salaries, per diem, fees, representational allowances, and other remunerations received for personal or professional services by the public employees of autonomous or municipal institutions, the sums owed by them to the national treasury as income taxes, and they will issue to these employees the receipts corresponding to the deductions made.

"These deductions will not be regarded as diminutions of the respective salaries, so all public employees whose salaries cannot be subject to deductions during a given period of time in accordance with the national Constitution or the special laws will also be subject to the payment of this tax, which will be deducted and retained in the manner already indicated.

"Public employees will be able to deduct as expense 25 percent of the allocations received as representational allocation."

Article 2:

Each year the national government will remit to a commission comprised of the comptroller general of the Republic, the first commander in chief of the Firefighters Corps of Panama, and a representative of the fire insurance companies and brokers, a sum equivalent to 5 percent of the gross premiums of fire insurance policies and renewals, paid to those persons or companies that do business with this kind of insurance for risks assumed in the Republic of Panama. This commission will administer the sum indicated and will dedicate it exclusively, first, to the monthly payment of $900 and $600 for maintenance of the security offices in Panama and Colon, respectively, and the rest, for the acquisition of material, equipment, and uniforms to fight fires, construct and repair headquarters, and for the maintenance of the security offices already in existence or those which might be created in the future, and will distribute them among the various firefighter corps and sections.

Article 3:

Article 318 of the Fiscal Code is modified to read:

"Article 318. The registration of public or authentic documents in the Mercantile Section of the Public Registry will result in the following fees:

"1. Fifty dollars ($50) for any document whereby some mercantile society is either constituted or extended, if its business capital does not exceed $10,000. Those reporting a business capital in excess of $10,000 but which does not exceed $100,000, will be charged a fee of $50 for the first $10,000 plus $.75 for each additional $1,000 or fraction of $1,000. Those in excess of $100,000, but which do not exceed $1 million, will be charged a fee of $117.50 for the first $100,000, plus $.50 for each additional $1,000 or fraction of $1,000. Those which exceed $1 million will be charged a fee of $567.50 for up to that amount plus $.10 for each additional $1 million or fraction of $1 million.

"Whenever the capital is divided into shares without nominal value, each share will be assigned a value of $20 as the basis for computing the registration fee. If only a part of the shares has no nominal value, the fee will be estimated on the basis of the total resulting from the two kinds of shares.

"The same fees indicated above will be charged for those documents by means of which business capital is increased. In this case, only the increase will be charged a fee.

"In the case of documents by means of which shares without nominal value are exchanged for shares with a nominal value or vice versa, the shares without nominal value will be considered to be worth $20 each, in order to determine if there is any increase in capital.

"2. $25 for corporation charter [registration].

"3. $5 for commercial or industrial patents.

"4. $10 for any other registration not mentioned in this article."

Article 4:

Title XI of Book IV of the Fiscal Code is modified to read as follows:

"Title XI

"Regarding banks, loan associations, and money exchange offices.

"Article 1010. Banks and loan associations regulated by Cabinet Decree No 238 of 1970 and by Law No 69 of 1978, respectively, and the money exchange offices will pay an annual tax in accordance with the following scale:

"-- First class central offices of banks and loan associations will pay $25,000.

"-- Second class central offices of banks and loan associations will pay $20,000.

"-- Third class central offices of banks and loan associations will pay $15,000.

"-- Fourth class central offices of banks and loan associations will pay $10,000.

"-- The money exchange offices will pay $600.

"Article 1011. The class of each central office of banks and loan associations will be determined by the National Bank Commission based on the assets of each institution.

"Article 1012. The Finance and Treasury Ministry will establish the documentation required for payment and the collection of this tax.

"Any delinquency in the payment of this tax will result in the application of legal surcharges and interests, which in turn will not preclude the right to seizure or attachment as prescribed by law.

"Article 1913. [as published] State agencies will be exempt from this tax."

Article 5:

Title XXVIII is added to Book IV to be called "Tax on Special Services," and to read as follows:

"Title XXIII [as published]

"Tax on Special Services

"Article 1057: A Tax on Special Services is hereby established in accordance with the following regulations:

"Paragraph 1: The services mentioned in Paragraph 3, rendered in the Republic of Panama effective 1 January 1985 will be levied with the tax on special services created with the present article. The services are considered rendered:

"A. In the case of those mentioned in Subparagraph H of Paragraph 3, at the time of collecting payment for them;

"B. For other cases, when an invoice is written or when collection is made, depending on the usual accounting system followed by the taxpayer.

"Paragraph 2: Those who render services taxed by this article are taxpayers.

"Paragraph 3: This tax is levied on the following services:

"A. Leasing or other type of services through which one grants the use or enjoyment of properties or rights, except for properties used for agricultural and cattle production, ships, airplanes, or helicopters used in public transportation, whether for passengers or cargo, priority housing, and properties regulated by special housing laws in the way stated in the Regulation.

"B. Publicity services.

"C. Communications services or the sending or retransmission of signals, images, messages, and sounds.

"D. The sending of correspondence or packages.

"E. Restaurants, bars, ice cream parlors, cafeterias, refreshment stalls, and catering businesses when these services are rendered through outlets considered luxurious as established by the executive branch.

"F. Repair, installation, cleaning, decoration or maintenance of furniture and real estate.

"G. Bonding or insurance against all property risks located in Panama or of persons with domicile or residency in the country with the exclusion of reinsurance of foreign risks and group life insurance for workers.

"H. General administration services.

"I. Services provided by artists, technicians, educators, and middlemen -- whether persons or companies -- not included in other subparagraphs of this paragraph.

"J. Filming and recording services of images or sounds, automatic or manual processing of data or words.

"K. Washing, drying, ironing, cleaning, painting or staining of furniture.

"L. Interning, curing, or cleaning animals.

"M. Massage, sauna, gymnastics or sports activities.

"N. Barber shops, hairdressers, beauty shops, and aesthetic salons, when these services are rendered through outlets deemed luxurious as established by the executive branch.

"O. Parking services.

"P. Naval agency services.

"Q. Lodging and other services rendered through outlets deemed luxurious as established by the executive branch.

"R. Hourly rate motels.

"S. Entertainment and recreational services and public shows, except for those described by the appropriate authorities as charitable in nature or of national interest and those provided by nonprofit organizations.

"T. Guard, alarm, security, and protection services and the transportation of valuables.

"U. Money lending services and discounts of third party paper.

"V. Clinics or sanatoriums for the confinement or healing of individuals, when these services are rendered through outlets deemed luxurious as established by the executive branch.

"Paragraph 4: The following services will not be taxed:

"A. Those services rendered by state entities.

"B. Those rendered by the banking and financial institutions that operate under the protection of Cabinet Decree No 238 of 1970 and Law No 69 of 1978, and by the societies and associations of the national savings and housing and loan system.

"C. Those services rendered by cooperatives duly authorized by the appropriate body.

"D. Those that are characteristic of radio, television, and journalistic enterprises.

"E. Those rendered by workers under work contracts, as regulated by the labor laws.

"F. Those services rendered by commission brokers in the stockmarket.

"G. Technical, scientific, cultural, or academic teachings provided by institutions recognized by the Education Ministry.

"H. The transportation of both persons and cargo.

"I. Those services rendered in free zones and ports.

"J. Activities considered not to have been carried out on Panamanian territory, indicated in the subparagraphs of Paragraph 2 of Article 694 of the Fiscal Code.

"K. The services rendered by persons or companies residing or based in Panama, whose gross revenues are less than $24,000 a year.

"Paragraph 5: The taxable base is the total sum invoiced or collected during the fiscal period for rendering the taxed service, minus the generally applied discounts or bonuses. The taxable base will also comprise the additional costs incurred as a consequence of the operation being taxed, even if these are invoiced or agreed on separately and regardless of whether or not when considered independently, they are subject to this tax, such as: transportation, accommodations, travel expenses, representational, financial, or administrative allowances, insurances, interests, and the cost of goods included in the service.

"The taxable base will not include the duly confirmed disbursements incurred by the client, as established in the regulation.

"Paragraph 6: The tax levied will be estimated on the basis of a 7-percent rate applied to the taxable base and the amount paid will be deductible as an expense from the income tax. The tax will not be separated [discriminado] in the invoice or equivalent document.

"Paragraph 7: The tax will be administered by the General Revenue Directorate and will be paid every month within the first 10 days of each month. Without detriment to what has been established in Cabinet Decree 109 of 7 May 1970 and Article 1057 "V" of the Fiscal Code, the General Revenue Directorate is authorized to do the following:

"A. Demand that taxpayers present affidavits, and other documents or vouchers.

"B. Demand that the taxpayers make advance or estimated monthly tax payments calculated in proportion to the basic income that was subject to this tax in a similar earlier period, or following other basic rates such as income for the current period or estimated annual income.

"C. Appoint withholding agents for the collection of the taxes;

"D. Officially determine and demand the tax in all cases where the affidavits demanded are not submitted or whenever there are deficiencies in the data set forth therein.

"Paragraph 8: That which is prescribed in Article 1057 "V" of the Fiscal Code and Article 11 of Law No 76 of 22 December 1976 amended by Law No 45 of 31 October 1980 will cover anything not covered in this article.

"Paragraph 9: This tax will not be levied on services rendered and invoiced prior to 1 January 1985, even if their collection is made after the law goes into effect.

"Paragraph 10: Any regulation granting exemption on the service subject to this tax and any regulation that goes against the legal provision prescribed in the article are hereby abolished.

"The following legal provisions are specifically abolished:

"a. Subparagraph "C" of Paragraph 1, Subparagraph "B" of Paragraph 2, and Subparagraph "F" of Paragraph 5 of Article 1057 "V" of the Fiscal Code.

"B. Numbers 4 and 5 of Article 964 of the Fiscal Code.

"C. Number 6 of Article 964 of the Fiscal Code in the part that refers to issued receipts as a result of activities subject to this tax.

"D. Numbers 1 and 2 of Article 965 of the Fiscal Code.

"E. Chapter IV of Title VIII of Book IV of the Fiscal Code.

"F. Title XII of Book IV of the Fiscal Code.

"G. Subparagraph "B" of the sole paragraph of Article 967 of the Fiscal Code whenever it may affect services subject to this tax."

Article 6:

Subparagraphs B of Paragraph 1 and C of Paragraph 4 of Article 1057 "V" of the Fiscal Code are hereby modified and will read as follows:

"Paragraph 1:

"B. The rendering of services independent through which raw materials are changed into manufactured or semi-manufactured products, as long as the rendering of these services is not subjected to the tax on special services.

"Paragraph 4:

"C. The party that renders services in the case of Subparagraph B of Paragraph 1."

Article 7:

At any time prior to the notification or implementation of a resolution containing an additional billing or official note fixing the tax amount, the Finance and Treasury Ministry will adopt precautionary measures to guarantee the collection of such tax. To this effect, the officials of the Finance and Treasury Ministry will have to obtain prior authorization from a municipal or circuit court and must be based on the knowledge that the taxpayer is taking steps to evade this tax.

Article 8:

Article No 1 of Law 106 of 1974 is modified and will read as follows:

"Article No 1. A 2 percent tax is established on the transfer of onerous properties whether this is done through a land-jobbing contract, barter, dation in payment [payment in kind], or any other agreement made to transfer the ownership of real estate.

"The tax will be imposed

"A. In the case where property guarantees loans with real obligations on the larger amount of any of the following:

"a) The transfer value.

"b) The cadastre [assessed] value.

"c) The value of the guaranteed obligation plus 10 percent.

"B. When no real guarantee exists on the property, on the transfer value or the cadastre value, whichever is larger, plus the corresponding percentage according to the consumer price index determined by the Comptroller General's Office. The tax will be paid by the transferer at the moment of the transfer to the national treasury. The deed will contain the details of the tax receipt, without which the notary will not notarize the contract or risk being dismissed and having to pay the corresponding tax."

Article 9:

From the moment this law goes into effect, all increases in salaries or fees for personal services will be suspended at all government institutions, those established by law or other legal norms as well as those negotiated in agreements or contracts. The increase planned for 1985 will be postponed until 1987, and so successively for those planned for subsequent years through legal norms, agreements, contracts, or other provisions.

Paragraph: For the purpose of this law the term government institutions refers to the central government, the legal branch, the attorney general's office, the electoral tribunal, the municipal governments, community boards, autonomous and semi-autonomous entities, development corporations, government enterprises, state enterprises, and the companies or enterprises the capital of which is owned by the state or any state entity.

Article 10:

Only for the purpose of the allocation of special retirement payments, old age pensions, and the supernumerary employees, whose rights during 1985 and 1986 will be recognized, the foregoing article is not applicable.

Article 11:

The executive branch is hereby authorized to regulate the present law through the Finance and Treasury Ministry.

Article 12:

The present law will become effective on 1 January 1985. Communicate and publish. Issued in Panama City on [date not given] November 1984.

[Signed] President of the National Legislation Council; Secretary General of the Legislation Council

Government Austerity Guidelines

PA181949 Panama City CRITICA in Spanish 17 Nov 84 p 25

[Guidelines for compliance with measures for the rationalization of and adjustments to public expenditures issued by the Comptroller General's Office; date not given]

[Text] It is the responsibility of the ministers, directors, and managers of public entities to ensure compliance with the measures of rationalization and adjustments to public expenditures announced by the executive branch in relation to:

1. Trips within the country and per diem:

-- Reduce supervisory trips within the country;

-- Suspend trips within the country on days falling before and after holidays, Fridays, Saturdays, and Sundays;

-- Adjust per diem programs within the country that are established in Article 49 of Resolution 173 of 30 December 1982;

— Reduce the number of persons on official trips withing the country;

-- Eliminate "fixed per diems" for personnel on fixed payrolls.

2. Overtime:

-- Suspend overtime payments.

3. Donations, contributions, and subscriptions:

-- Suspend donations, contributions, and subscriptions for the purchase of tickets, raffles, magazines, research, publicity, newspaper advertisements, sponsorship of sports teams, support of recreational and sports activities, hiring of artistic groups, and so forth.

4. New contracts and rentals:

-- Suspend contracts and the rental of space for public offices;

-- Suspend remodeling, repairs, and the improvement of public offices, particularly executive offices.

5. Service areas for appointed personnel:

-- As of 1985 the government will not honor any expenses or claims for reimbursement made by appointed state functionaries for services to other public entities.

6. Purchase or rental of equipment, furniture, or automobiles:

-- Suspend the hiring, purchase, rental, exchange, additions or modifications to equipment, furniture, and automobiles, including data processing equipment, duplicating machines, reproduction equipment, and so forth.

-- Hold accountable anyone guilty of damaging vehicles and equipment belonging to public entities; such expenses will be recovered through payroll deductions.

-- All government vehicles, except those of cabinet ministers and deputy ministers, directors and deputy directors of decentralized entities, and of the National Guard, must have the corresponding yellow strip on its sides.

— Strict control of vehicle use during nonworking hours;

-- Eliminate the use of private license plates on government vehicles;

-- Without exception, official vehicles owned by public entities must remain at the assigned parking sites during nonworking hours; it is forbidden to take such vehicles home.

7. Christmas holidays, national and organizational holidays:

-- Suspend the support of activities, expenses, and contributions for Christmas festivities, national holidays, anniversary celebration of public entities, organizational festivities, fairs, carnivals, retirement parties, and so forth.

8. Phone calls to the interior of the country, abroad, and telephone installations:

— Control of local and long distance telephone calls; once the bills are analyzed, and the persons involved notified, all charges incurred on unauthorized personal calls made through official telephones will be recovered through payroll deductions.

9. Consumption of gasoline and fuel, oil, and lubricants:

— Strict control on the consumption of gasoline, diesel, fuel, oil, grease, accessories, and spare parts for vehicles.

10. Reproduction of documents on duplicating machines:

— Reduce to a minimum the use of reproduction equipment;

-- Eliminate unnecessary carbon paper and stencil copies;

-- Suspend the purchase and rental of copy reproduction equipment; on equipment already installed, the maximum number of duplications established in the approved service contracts should not be exceeded.

11. Trips abroad:

— Reduce the trips of public functionaries abroad;

-- In cases where it is necessary to send public functionaries on official missions abroad; provisions in Articles 50 and 77 of Resolution 173 of 30 December 1982 will be observed;

-- Whenever a trip or trips are made abroad; it is mandatory to use Panamanian airlines on the routes to be covered; in the event that a national carrier cannot be entirely used, ensure that the portion of the trip covered by the national airlines be booked on said carrier.

12. Use of state aircraft:

-- Reduce the use of state-owned aircraft.

13. Publicity and Propaganda:

-- The expenses for publicity and propaganda made by the public entities will adhere strictly to the provisions of Articles 51 and 52 of Resolution 173 of 30 December 1982.

14. Consumption of basic services (electricity and water):

-- Establish strict controls on the consumption of electricity, water, post office services and communications;

-- Each public entity will impose the austerity measures to reduce and control the consumption of said basic services.

15. Contracts for feasibility studies and contracts for inspection of projects:

-- All new contracts for feasibility studies and for inspection of projects are suspended.

16. Personnel structure:

-- All salary increases, promotions, and changes in job classifications, and hiring of new personnel in public entities, are suspended.

17. Petty cash:

-- Authorization to open petty cash funds, or to increase them, as well as special funds, are suspended.

CONEP on Fiscal Measures

PA182240 Panama City LA ESTRELLA DE PANAMA in Spanish 15 Nov 84 pp A 1, A 16

[Text] The National Council of Private Enterprise [CONEP] has issued the following communique in relation to the economic measures announced by the president of the Republic:

CONEP sets forth its position in view of the fiscal measures announced:

1. Aware of the fact that the country's situation demands urgent measures, it is willing to support the rational solutions that immediately solve the socioeconomic crisis, if those measures are discussed with the production sectors and others which will bear the brunt of these measures.

2. It agrees with the president of the Republic that the main causes of the serious fiscal and economic crisis the nation is facing are the public debt, the result of the administration's mismanagement and corruption squandering large portions of funds that should have been invested in productive activities for the benefit of the Panamanian nation.

3. As the labor sectors said, the business sector was not consulted when the country acquired this outrageous debt.

4. In order not to affect the poorest sectors and in a constructive spirit, CONEP agrees to hire in the immediate future, the number of workers that the government needs to dismiss to balance the nation's budget, but on the other hand the government should not implement the tax which was not discussed, and which will have disastrous inflationary and recessive repercussions. It will also be necessary to make amendments to the labor law. This measure will bring to Panama international industries that the president of the Republic has invited to our country to invest in our development and economic reactivation.

[Signed] National Council of Private Enterprise, 14 November 1984

Republicans Support Government

PA210234 Panama City YA in Spanish 19 Nov 84 pp 2, 4

[Communique issued by the Republican Party in Panama City on 17 November]

[Text] Whereas:

1. Your Excellency, the President of the Republic, Dr Nicolas Ardito Barletta has submitted to the citizens the economic and fiscal measures that are necessary as a result of the country's serious crisis;

2. For the implementation of the urgent economic and fiscal measures to carry out the government's priority plans, the president of the Republic has requested the decisive support of all of the country's political forces, of the workers, business, professional and civic organizations, and of the Panamanian people in general;

3. It is our party's indeclinable wish and that of the Panamanian people to set the most solid foundations to tidy up the public administration by sharing and fully supporting his program to reduce public expenses, improve the administration's efficiency, strongly and permanently oppose corrupt public employees, and, in general, begin a series of actions to make the correct and positive functioning of the administration possible;

4. In addition to these measures of administrative austerity, control, efficiency and honesty, the president of the Republic has outlined the urgent economic and fiscal that are indispensable, as a result of the critical fiscal situation, to mending the state's finances;

Resolves:

To decisively support the implementation the economic emergency measures taken by Your Excellency, President Nicolas Ardito Barletta, and to ask all Republican Party members and citizens in general to courageously support and share the sacrifices that these measures, which will lead to our nation's fiscal, social and economic recovery, demand.

[Signed] Republican Party, Panama City, 17 November 1984

PdP Favors National Dialogue

PA201926 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Nov 84 pp 40, D 6

[Communique issued by People's Party (PdP) on 16 November]

[Text] The economic measure announced by President Ardito Barletta reveal his determination to lead the government on the path dictated by the IMF, the World Bank, and private U.S. banks, all of whom are creditors of our foreign debt.

We have gone on record as stating that to accept, without a pluralist analysis and a national consensus, the dictates imposed by these financial agencies manipulated by imperialism would mean straying from the government's Torrijist line. It would lead our struggle against the crisis and for economic development along a rightist, anti-democratic, and antipopular path.

During the electoral campaign our party stressed the need for a 5-point program to follow the Torrijist line as an alternative to submitting to imperialism. To the administration that assumed power on 11 November 1984, we proposed the need to open a national dialogue to face the crisis. The way in which these measures have been adopted and in which some social welfare laws have been amended behind the backs of the masses will lead to a serious political crisis. The people should not be burdened with laws whose scope and content are not known. Measures should not be announced without consulting the sectors that will be affected by them. They should be explained in language that the people can understand. People are being asked to suffer hardships. However, there is no announcement as to which are our true commitments nor specific figures so that we may know what efforts must be made to meet our obligations. Furthermore, we are told that the measures announced so far will not be enough and that more measures will follow.

Our party stresses the need to seek a consensus through a national dialogue in which all social sectors and parties should participate maintaining their independence and principles. In view of the current national situation, our party resolves:

1. To maintain an attitude of watchfulness regarding the government's true bearings and to criticize and oppose measures straying from Torrijism.

2. To defend our legal electoral standing, which has been taken away from us by not recognizing the fact that we obtained 3 percent of the votes in the elections for representatives.

3. To instill in the masses an attitude of watchfulness and criticism and to demand support for a national dialogue; to indoctrinate workers, peasants, employees, and youths as to their just aspirations, to defend their well-earned rights, and to struggle against maneuvers by imperialism and the oligarchs. We will stand side by side with the masses. The announced economic measures must be submitted to a national dialogue.

4. To maintain political relations with all forces -- government, opposition, or independent -- who concur with holding a dialogue in order to reach a consensus in the face of the crisis.

5. To achieve understanding and unity with Torrijist-inspired political parties and with other democratic and leftist forces in view of the correlation of forces that has evolved during and after the elections.

Politburo of the People's Party, Panama, 16 November 1984

Teachers Union Joins Protest

PA201948 Panama City YA in Spanish 20 Nov 84 pp 2, 4

[Communique issued by United Panamanian Teachers Union in Panama City on 19 November]

[Text] Whereas:

1. The alarming fiscal crisis plaguing the Panamanian people as a result of the misadministration and the embezzlement of public funds has been worsened through the imposition of Law 46 of 15 November 1984, by which urgent fiscal measures have been adopted.

2. During the meeting held on Saturday, 17 November, at our offices to discuss our demands and other matters, Education Minister Manuel Solis Palma stressed the government's urgent need to solve the country's fiscal crisis.

3. The coercive, inconsiderate, and rash nature of the law is the obstacle to finding an adequate solution to the emergency situation.

The United Panamanian Teachers Union Resolves:

1. To register a strong protest over these measures, which impose sacrifices on us.

2. To demand the enforcement of strong, exemplary measures to fight wrongdoing by public officials and to cleanse the public administration, committing the executive, legislative, and judicial branches to this task so that, in fulfilling their duty they will participate in the solution to these problems.

3. To join the national protest and to invite all civic and professional organizations as well as the citizens at large to unite efforts in searching for steps to find new and better options to rapidly solve the current fiscal crisis.

[Signed] United Panamanian Teachers Union

Students Protest Measures

PA201925 Panama City Circuito RPC Television in Spanish 1730 GMT 20 Nov 84

[Excerpts] Hundreds of students of the University of Panama took to the streets this morning to protest the fiscal measures announced by the Panamanian president. Student spokesmen called for the repeal of Law 46 of 1984 that creates a 7 percent tax on services.

In an action to protest the laws creating new taxes, more than seven university student organizations peacefully occupied the Legislative Palace for 2 hours. The leaders of the University Revolutionary Front [Frente Revolucionario Universitario], the Center of Law Students, the Revolutionary Student Front, Guaykucho, (?New Revolutionary Left), and other groups condemned the approval of the recent laws by the defunct Legislation Council. Carrying placards and shouting revolutionary slogans, the students expressed repudiation of all the political parties, the current government, and the Defense Forces, arguing that they do not respond to the people's needs. The group of close to 600 students was heard by a group of legislators of the current Legislative Assembly led by Assembly Vice President Moises Melamed. The students peacefully left the legislative building at the end of their protest.

COSTA RICA

SPECIAL MISSIONS TO EXPLAIN POSITION ON CONFLICT

PA222023 San Jose Radio Reloj in Spanish 1200 GMT 22 Nov 84

[Text] Beginning in January, the government will be sending a number of high-level missions abroad to explain Costa Rica's political position on the Central American conflict. The missions will visit the Latin American capitals, the Caribbean, and the most important U.S. cities.

The government council made this decision after it heard a report from Foreign Minister Carlos Jose Gutierrez, who said that during the OAS General Assembly he was able to confirm that there is no clear picture abroad of Costa Rica's position on the regional crisis. The foreign minister said that during the OAS assembly he found that Latin American and Caribbean governments and peoples view Costa Rica as being part of the Central American conflict. Gutierrez said: We have maintained our position that Costa Rica does not form part of the Central American conflict, although we are affected by the Central American situation in general. This harms our country's prestige. The foreign minister added that people abroad do not clearly understand that the Nicaraguan situation endangers the entire Central American region.

NICARAGUAN ENVOY CRITICIZES U.S. AMBASSADOR

PA220356 Rome IPS in Spanish 0218 GMT 22 Nov 84

[Text] San Jose, 21 Nov (IPS) -- The Nicaraguan Embassy in Costa Rica today accused Curtin Winsor, U.S. ambassador to Costa Rica, of making "vulgar and rude" statements about Sandinist leaders.

During a news conference held in San Jose, Leonor Arguello, Nicaraguan ambassador to Costa Rica, criticized her U.S. counterpart's recent choice of words when speaking about Managua's leaders.

The Nicaraguan ambassador said that Winsor thinks that he can do and say what he pleases. I wish to clarify that "we Nicaraguans couldn't care less about the opinions of others regarding our country or its rulers, but I will no longer allow him to continue attacking us with impunity." The Nicaraguan diplomat said that she is surprised at the fact that the U.S. representative should use "such language."

"In no other country is the representative of a foreign country allowed to speak the way the U.S. ambassador speaks about my country, especially when the host country has, at least, diplomatic relations with the country being attacked," Arguello said.

The U.S. representative recently referred to the Nicaraguan elections as "a mangy dog farce" (derogatory phrase used by the opposition when referring to the Sandinists) and also repeated phrases used by the anti-Sandinists such as "the nine (commanders) and Somoza, are the same thing."

Arguello added that from now on, every time Ambassador Winsor uses such vulgar words about her country, he will receive a firm and worthy response from her embassy. The Nicaraguan ambassador said that she had not presented a formal protest to the Costa Rican Foreign Ministry because of the diplomat's statements.

Meanwhile, Costa Rican Foreign Minister Carlos Gutierrez said that he was not not aware of any statements made by the two ambassadors and added that it is not Costa Rica's responsibility to act as a mediator in the problems between Nicaragua and the United States. Gutierrez also said that he cannot tell the U.S. ambassador how to speak when referring to another country.

Arguello also denied a statement released by the press in San Jose regarding the granting of asylum to a woman allegedly involved in the attack against Alfonso Robelo, leader of the anti-Sandinist Democratic Revolutionary Alliance (ARDE), which occurred on 4 November. The Nicaraguan ambassador said that on 9 November a woman called Maria Elena Mendieta asked for protection at the embassy, stating that she was being persecuted by ARDE members. The embassy negotiated a safe-conduct for the young woman to travel to Nicaragua, her country, but at the Juan Santamaria International Airport, 20 km northeast of San Jose, she was stopped by members of the Intelligence and Security Directorate who did not allow her to leave the country. Mendieta left the Nicaraguan Embassy yesterday, of her own free will, accompanied by Costa Rican authorities. Costa Rican Public Security Minister Benjamin Piza today said that the woman is not under arrest, but did admit that she is being questioned because "she could be an important witness in solving the case of the alleged attack against Robelo."

BRIEFS

RECOPE LOSES $12 MILLION -- San Jose, 17 Nov (ACAN-EFE) -- The Costa Rican Oil Refinery, Recope, has announced that it has lost $12 million as the result of the recent devaluation of the national currency. Recope Manager Roberto Robles has said that despite this loss and previous losses of $5 million, the concern has not changed its prices since June 1983. [Summary] [Panama City ACAN in Spanish 2311 GMT 19 Nov 84 PA]

COAL DISCOVERY -- The Costa Rican Oil Refinery, Recope, has discovered 10 million tons of coal in the Volio de Talamanca area in Limon Province. It was reported that important deposits of that mineral were found in the area. [Excerpts] [San Jose LA REPUBLICA in Spanish 3 Nov 84 p 9 PA]

EL SALVADOR

DUARTE: GOVERNMENT, REBELS TO MEET LATE NOVEMBER

PA212140 Panama City ACAN in Spanish 2036 GMT 21 Nov 84

[Excerpts] San Miguel, El Salvador, 21 Nov (ACAN-EFE) -- The Salvadoran Government and the guerrilla leaders will meet again before the end of the month to continue the dialogue process begun on 15 October in an attempt to find peace in this country.

Salvadoran President Jose Napoleon Duarte confirmed here today that his government has already decided on the location and date for the second meeting with the rebels and that Msgr Arturo Rivera y Damas, archbishop of San Salvador and mediator in the talks with the rebels, was advised of this decision last night. Despite the fact that the date and location for the second round of talks with members of the guerrillas has already been decided, this information will not be disclosed until Sunday, the Salvadoran president stated. Durate made this statement following a high mass held in honor of Our Lady of Peace at which all of the country's bishops, as well as Maria Julia Castillo, president of the Legislative Assembly, members of the government, and deputies were present.

Colonel Reynaldo Lopez Nuila, deputy security minister; Lieutenant Colonel Miguel Antonio Mendez, commander of the 3d Infantry Brigade; and other government officials were also present at the high mass.

Meanwhile, Archbishop Rivera y Damas said that he could not disclose the date or location of the second round of talks between the government and the guerrillas, but that the meeting would be held before the end of the month of November.

The religious celebration was held without incident and the faithful came from several sectors of the country.

Various sectors of the country received President Duarte's announcement regarding the date and location for the next meeting with the representatives of the FMLN and the FDR with optimism. The media has said that the Salvadoran Government will disclose the date and location of the next meeting with the insurgents 24 hours prior to the meeting.

ASSEMBLY PRESIDENT QUESTIONS DIALOGUE'S EFFECTIVENESS

PA212332 San Salvador DIARIO LATINO in Spanish 20 Nov 84 p 2

[Excerpt] "Thus far I have not seen anything positive resulting from the initiation of the dialogue between the insurgent sector and the government since terrorist violence and destruction have continued," said Dr Maria Julia Castillo, president of the Legislative Assembly. Dr Castillo told DIARIO LATINO that to make statements such as these is a delicate matter because there are some who would say that it is irresponsible and demonstrates little desire for peace in the country. However, she said, what would have been most desirable was the negotiation of a suspension of extremist violence as soon as the dialogue was initiated. In other words, a cease-fire. Dr Castillo said that there is still time and that guerrillas must clearly demonstrate their confidence so that we can believe in their avowed peaceful intentions. We must stop the aggressions against the Salvadoran people, she said. Meanwhile, Dr Castillo also said that the people's will to achieve pacification is such that they are trying to forget all of the sad episodes of violence; even those who have lost relatives are trying to forget.

FMLN-FDR REPRESENTATIVE ON NEXT ROUND OF DIALOGUE

PA230209 Madrid EFE in Spanish 2249 GMT 22 Nov 84

[Text] Mexico City, 22 Nov (EFE) -- The political-military coalition of the FMLN-FDR today announced in Mexico that it is awaiting a "counterproposal from Jose Napoleon Duarte's government on the date and location where the second round of the dialogue will be held" to negotiate the conflict in El Salvador. Hector Oqueli, a member of the FMLN-FDR Political-Diplomatic Commission, told EFE that thus far they have not received an answer to their proposal to meet with the Salvadoran Government on 27 November in the Salvadoran capital.

Salvadoran President Jose Napoleon Duarte stated that he has already presented his counterproposal to Arturo Rivera y Damas, archbishop of San Salvador, who will reveal it in his homily on Sunday, 25 November.

Oqueli said that the FMLN and the FDR are willing to travel to El Salvador on 29 November, the date on which, according to reports, the second meeting between the opposition and the government will take place. However, Oqueli said that the FMLN-FDR does not want dates and locations for the meeting imposed upon it because it is a dialogue and there should be proposals and counterproposals discussed by the participants.

The guerrillas and the political opposition will reveal the names of their representatives to the second round of the dialogue early next week. The delegation will be formed by four members of the FMLN and the FDR, Oqueli said. Oqueli also told EFE that the political-military opposition demonstrated its responsibility and desire to hold a dialogue when last 15 October its representatives attended the 15 October La Palma meeting where they risked the danger of an attack. He insisted that the fronts have proposed the 27th in the Salvadoran capital because they feel that this location would have the security conditions necessary for the meeting.

Regarding a possible meeting on the 29th, the representative of the Salvadoran coalition said that this could be acceptable, although the location would have to be discussed.

The observance of a second round in the dialogue between the government and the Salvadoran political-military opposition was agreed upon at the meeting in La Palma where it was decided that a meeting would take place during the second half of November. The Salvadoran Political-Diplomatic Commission member said that the delay in announcing the Duarte government proposal shows a "lack of seriousness." Furthermore, Oquelí did not deny that the right-wing sectors that have expressed their opposition to the dialogue exert pressures to prevent the meeting from being held on the established dates.

Oquelí also added that there are risks in the continuation of the dialogue, such as the real position of the "centers of power: The oligarchy, the Army, and the current U.S. Administration."

The Salvadoran opposition is willing to discuss the possibilitie of a Christmas cease-fire or a cease-fire of any other type, as well as the humanization of the war, social and democratic reforms for the benefit of the people, the eventual participation in elections, and all that leads to peace.

DEFENSE MINISTRY REPORTS TERRORIST DESERTIONS

PA210300 San Salvador EL DIARIO DE HOY in Spanish 20 Nov 84 pp 2, 51

[Text] The Defense Ministry yesterday reported that casualties and desertions continue among the terrorist groups operating in the interior of the country. In effect, it was reported, members of the Conchagua Battalion from Military Detachment No 3 in La Union clashed with terrorist groups leaving one rebel dead and confiscating his military equipment. This took place in Cerro El Nispero (Montefresco) hamlet, in Chirilagua.

The report also adds that the same battalion found the body of a fully equipped terrorist in the same area.

Another report states that a terrorist was killed when patrols from the Cavalry Brigade clashed with a column in El Jicaron hamlet in El Paisnal, San Salvador. The defense Ministry also reports that in several instances men have surrendered to the Armed Forces. These individuals explain that they are tired of being mistreated by the so-called commanders of the groups that operate in Chalatenango, San Vicente, and Morazan.

ARMED FORCES ANNOUNCES SUPPORT FOR ALL PARTIES

PA210433 San Salvador LA PRENSA GRAFICA in Spanish 20 Nov 84 pp 2, 63

[Text] The Armed Forces publicly declared their support for all of the political parties regardless of their orientation, said Lieutenant Colonel Miguel Antonio Mendez, commander of the 3d Infantry Brigade. He also invited all Salvadorans to express their opinions on political platforms that demonstrate a true democracy.

Lt Col Mendez said this in a message to the media, adding that this will make the establishment of a government that is democratically elected by the people possible. He said the Armed Forces have totally changed their mysticism because they acknowledge and understand that they are part of the people, and that it is their duty to fight corruption, punishing those who infringe upon the principles that govern military discipline.

Lt Col Mendez said that it is worth mentioning the actions of the people of San Miguel and the entire eastern region where a war is underway but where life goes on by working and worshipping in the different religions practiced by the people. The Armed Forces trusts the people of San Miguel, the eastern zone, and the entire country, and consequently, exposes itself daily by offering them their support and security, he concluded.

FMLN-FDR AWAIT RESPONSE ON DIALOGUE PROPOSAL

PA210412 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT 20 Nov 84

[Excerpts] Duarte has not replied to our proposal to continue the dialogue and peace process. The FDR-FMLN alliance has voiced its concern over engineer Duarte's lack of [word indistinct] to continue the dialogue and peace process that began on 15 October in La Palma. (?We proposed) that the mixed commission meet on 27 November, but Duarte has not yet replied to that proposal. Our fronts have voiced their willingness to negotiate a cease-fire with the government as an important step toward achieving peace in our homeland. Our revolutionary Armed Forces are willing to comply with this proposal if it is also respected by the government.

On 15 October, we committed ourselves to making efforts to humanize the conflict. We ask: Is dropping dozens of bombs and grenades on civilians a way to humanize the war? Is the decision not to reply to our proposal to continue talks a way of demonstrating a willingness to achieve peace? Why is it that the Duarte administration does not show its willingness to [words indistinct]? Could it be that the Army's high command and the oligarchy are flatly rejecting a political solution through National Association of Private Enterprises [ANEP]?

Since 15 October the government's Army has carried out four important operations across the country. It has (?deployed) more than 15,000 soldiers, including those for less important operations. This entire war effort is a failure. It is far from being a military victory. During this period, the Army sustained more than 500 casualties and the Air Force suffered serius blows in [passage indistinct].

The United States and the oligarchy have made their maneuvers and pressures evident. The United States has pushed the Honduran Army's reactionary sectors into participating in the "Torola IV" operation in Morazan. The oligarchy's death squads have also intensified their sinister actions against the people. These warmongering and [word indistinct] sectors are the ones who do not want peace. They are the enemies of a political solution to the Salvadoran conflict.

Engineer Duarte reflects the opinions of those reactionary sectors. Duarte has been playing deaf to the clamors and demands of international organizations, such as the United Nations and international congresses on human rights, for a political solution to the conflict and respect for the human rights of the Salvadoran people.

Duarte has not replied to our proposals. Our FDR-FMLN front continues to wait for a reply to the call for a further sincere dialogue that will lead us to the peace that our people need: a dignified peace.

'STATE OF LAWLESSNESS' IN COUNTRY CRITICIZED

PA210402 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 21 Nov 84

[Text] Has anything changed in El Salvador with Jose Napoleon Duarte? The Supreme Court of Justice has revoked the charges against Lieutenant Isidro Lopez Sibrian, a criminal whose price has been paid by the oligarchy and one of the men who killed Rodolfo Viera and the two U.S. technicians.

With Duarte, they have tried to disguise as democracy the same system of injustice, crime, and corruption which prevails today with the special characteristic of U.S. neocolonial domination. Crimes here continue unpunished because nothing has really changed with Duarte. De Sola, Garcia Prieto, Hans Krimm, and Sol Meza are the surnames of oligarchs who, it has been ascertained, have financed the death squads. They are the lords and masters of the puppet Armed Forces' officers who are responsible for the death of more than 40,000 Salvadorans. Within such a corrupt regime, it is not strange that a killer like Lt Lopez Sibrian has been declared free of charges by that good-for-nothing Supreme Court of Justice. It is not strange because the ones who ordered the crimes are high-ranking military leaders such as Vides Casanova, Blandon, Bustillo, Moran, and Lopez Huila -- in other words, lackeys of the oligarchy.

The infamous declaration of innocence issued for this killer coincides with the extension of the state of siege, a pretext under which the liberty and life of thousands of Salvadorans has been destroyed for the past 5 years. These two facts prove what we announced, that the ultraright would launch an offensive against Duarte once Reagan's electoral campaign had ended, because the political role that the gringos had given Duarte was no longer necessary. The important thing for Duarte is to have an outlet for his megalomania, delusions of grandeur, and ambition for power. Thst is why he has already started to give in to the oligarchy and will continue to do so.

Regarding the case of Lopez Sibrian, and since he killed two U.S. citizens, the U.S. Government has shed crocodile tears through the VOA, its official station. This was done only because it affects Duarte's image whenever the U.S. Congress has to discuss the approval of further military aid for the puppet Army. However, since Reagan finances and helps the oligarchy's Armed Forces, the Yankee State Department's statement is cynical.

The ultaright's offensive has started and Duarte has quickly given in. This will increase the injustice and lawlessness of criminals. The blood of Msgr [Oscar Arnulfo] Romero, of the FDR executive committee, companeros who were killed by the regime, and of more than 40,000 Salvadorans pledge us all to struggle against this vile system. It pledges us to fight without respite to eradicate injustice, the main cause of this war that will end with the people's victory!

HONDURAS

SUAZO CORDOVA REASSURES OPPOSTION PARTIES

PA210441 San Pedro Sula LA PRENSA in Spanish 20 Nov 84 p 2

[By Jose Danilo Izaguirre]

[Text] Tegucigalpa -- Dr Roberto Suazo Cordova has reassured his political opponents that he will not remain at the presidential palace 1 day after he completes his term. For this reason, they should stop worrying about this. He made this statement in his hometown of La Paz. He said that his opponents need not fear, because his word is law and he will not break it just to stay in power.

As general coordinator of the Rodista Liberal Movement, Suazo Cordova made his position very clear regarding his feelings against remaining in the presidential post. He believes that the man who occupies the spot must be chosen by the people's expressed will and that, for this reason he will not continue as president once he completes his mandate.

He also asked all political parties to reflect soberly on this position and that power should be contested since in a democracy this is the only way that the national economy can be strengthened and domestic peace maintained. Finally, he invited the opposition Nationalist Party, which had announced a rally to be held in La Paz, to hold the rally and see for themselves that this city, that had formerly favored the Nationalist Party, is now decidedly in favor of the Liberal Party.

PAZ BARNICA SUFFERS HEART AILMENT; TO TRAVEL TO U.S.

PA230043 Buenos Aires LATIN in Spanish 2345 GMT 22 Nov 84

[Text] Tegucigalpa, 22 Nov (LATIN-REUTER) -- Official sources said today that Honduran Foreign Secretary Edgardo Paz Barnica is going to leave his post temporarily due to health reasons, and that he will be replaced by Deputy Foreign Secretary Tomas Arita. Barnica, 50, became ill last week as he was participating in an OAS meeting in Brasilia, and has been hospitalized since he returned to Tegucigalpa on Sunday. The doctors have reported that he is suffering from heart trouble and that he will travel to the United States on Sunday for a medical checkup.

Extended Rest Planned

PA221338 Tegucigalpa Cadena Audio Video in Spanish 1200 GMT 22 Nov 84

[Text] Sources close to the government have confirmed to Radio America that due to his serious [delicado] health condition, Foreign Secretary Edgardo Paz Barnica will be absent from the Foreign Secretariat for the rest of the year. It has been explained that Paz Barnica's condition is serious and it is only due to timely medical attention that greater complications have been avoided. However, doctors have prescribed rest and relaxation so that his health will not worsen. Since the Foreign Secretariat is a critical area of concern due to the Central American situation, it has been confirmed that President Roberto Suazo Cordova has left it up to the foreign secretary to decide how much time he needs to recover. In the interim, Deputy Foreign Secretary Tomas Arita will be in charge of the Foreign Secretariat.

NICARAGUA

TEN EPS SOLDIERS DIE IN HELICOPTER ACCIDENT

PA220206 Managua Domestic Service in Spanish 0058 GMT 22 Nov 84

[Communique No 39 issued by the Defense Ministry Public and Foreign Relations Directorate in Managua on 21 November]

[Text] The Defense Ministry reports that:

1. At 1220 today, 21 November, in the area of (Loma Alta), Los Cedros mountain range, 6 km northwest of (Asturias) in the region of Pantasma, Jinotega Department, a Sandinist Air Force helicopter, MI-8 No 275, accidentally crashed due to the bad weather at the top of the mountain range mentioned. The helicopter was completely destroyed.

2. As a result of this tragic accident and while fulfilling their military duty, the following EPS soldiers were killed: Subcommander Cristobal Vanegas, chief of the 6th military region of the EPS and prominent Sandinist leader before and after the triumph of the revolution; Subcommander Alvaro Hernandez, member of the EPS general staff, guest at the Sandinist Assembly, and a veteran and well-known Sandinist combatant since the days of the struggle against the dictatorship.

Also killed were Captain (Irvine Vargas); Lieutenant (Eduardo Gonzalo Coleman); Lieutenant (Eddy Brenes), pilot; Lieutenant (Ronald Fonseca), copilot; Sublieutenant (Enrique Fonseca), technician; Sublieutenant (Dagmar C.A. Gutierrez); Sergeant (Javier Luna Rosales); EPS soldier (Justa del Carmen Lopez Martinez).

3. Interior Ministry Captain (Javier Gurdian Somobarriba), the only survivor of this tragic accident, was seriously injured.

4. In the next few hours a report will be issued announcing the funeral arrangements for the EPS companeros who died while fulfilling their duty.

H. ORTEGA GIVES EULOGY FOR CRASH VICTIMS

PA230130 Managua Domestic Service in Spanish 2320 GMT 22 Nov 84

[Speech by Commander of the Revolution Humberto Ortega Saavedra, defense minister, at funeral services for Armed Forces officers, who died in a 21 November helicopter crash, at the Carlos Aguero School -- live]

[Text] Dear relatives of the Sandinist brothers who died in yesterday's tragic accident: First, dear relatives, accept on behalf of the FSLN, the Junta of the Government for National Reconstruction, our Armed Forces, the Interior Ministry, and fighters, our most heartfelt condolences. We share your grief during these difficult moments.

The citizenry has already been told that valuable fighters of our Army and valuable members of the FSLN died while fulfilling their duty in northern Nicaragua in this difficult struggle that we are currently waging against the mercenary aggression being launched against our people from Honduras and southern Nicaragua.

The companeros were fulfilling the daily duties of our Nicaraguan people with the enthusiasm, faith, and deep conviction we all share that the war being withstood by our people will end to the extent that all of us, like them, carry out the daily tasks that the revolution has entrusted to us in the military, economic, and other sectors. This war has left many dead, but the people are winning the war. To the extent that we follow these companeros' example, the unrest and suffering being withstood by our people and our country will end. To the extent that we remain united, together, carrying out our daily tasks to defeat the mercenary war that has left many dead; to the extent that we defeat this war being particularly waged in the mountainous and border areas of our country; to that extent we will recover our people's tranquillity and normalcy. Our people want peace and tranquillity.

Today, we wish to reassert our conviction that this war, which we are winning by effectively countering it, will be completely won. It is our wish that the war will end soon, although, logically, the war has been extended to the degree that the United States has given its unrestricted support. However, we are fully convinced that we will defeat the mercenaries. We will increase our efforts to defeat the mercenaries and regain the normalcy that our people want so much to rebuild our poor country. We will need many years to overcome our poverty, but we must first end the war before waging another battle, the battle for our national reconstruction.

Our companeros died in an accident due to the difficult, unpredictable conditions that prevail in that zone. A difficult climatological situation arose suddenly and this led to the accident. Nevertheless, for us these companeros died defending the homeland; they died fulfilling their military duty, the Sandinist duty of fulfilling our tasks. Amidst this dramatic situation that was imposed on us by our enemies, we were compelled to declare a general alert against an eventual intervention.

Prior to this, we did not have a national emergency here; our enemies here compelled us to declare a general alert.

Before our dead brothers we wish to reassert that we will continue to fight united with our people and carrying out our tasks to completely defeat the mercenaries and restore peace. We will continue to carry out the different tasks to face an eventual intervention by our enemies.

Family members of our dead brothers, your sons, husbands, and brothers will live in our hearts and in our daily struggle and efforts to win the war and rebuild our country. We, as the FSLN has proven in the past, will prove our pledge with our daily example. The companeros' example will serve to help us become better men, better revolutionaries, better Nicaraguans, and better military officers.

H. ORTEGA CITED ON PURCHASE OF MISSILES

PY222335 Buenos Aires LA RAZON in Spanish 21 Nov 84 p 2

[Report by Jesus Ceberio]

[Text] Managua -- the Nicaraguan Government is negotiating the purchase of ground-to-air missiles capable of downing U.S. supersonic planes which have been overflying its territory on espionage missions, Defense Minister Commander Humberto Ortega has announced. Referring to the SR-71 plane, the dreaded "Blackbird" which in recent weeks violated Nicaraguan airspace on several occasions, Ortega said that meaures have been taken to prevent further actions of this type. Speaking at a press conference, Ortega said: "Our government will continue to take every possible step to provide the Army with the means to stop this aggression and violation of our national sovereignty.

"Unfortunately, a powerful country like the United States can indulge in the luxury of threatening other countries, but our country will not sit idly by, watching those threats materialize.

The following actions have been described as signs of the escalation of U.S. military actions against Nicaragua: the harassment of merchant ships, increased flights of spy planes, the presence of warships on both coasts, and the increased number of troops in Honduras "where the Pentagon has introduced unusual quantities of weapons, ammunition. and men in recent days."

Commander Ortega believes that there is a clear interventionist purpose behind this military development which the Reagan administration has described as routine.

8TH ROUND OF TALKS WITH U.S. HELD IN MANZANILLO

Atmosphere 'Tense'

PA220436 Managua Radio Sandino Network in Spanish 0000 GMT 22 Nov 84

[Text] Mexico City -- Nicaragua proposed the immediate discussion of a bilateral security agreement between the U.S. and Nicaragua at the eighth round of talks in Manzanillo, which would lead to the normalization of relations between the two countries and create conditions for detente in Central America, according to a cable dated in Mexico City by the ANN News Agency.

The cable states that the proposal was presented by Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco at the meetings he held on Monday and Tuesday in Manzanillo with Harry Shaudeman, U.S. special envoy for Central America. The cable adds that the United States turned down an offer by Tinoco to include the Sandinist government's commitment to not install foreign military bases on its territory as an element in the negotiations.

This weeks talks took place in a tense atmosphere caused by the escalating threats of invasion by President Reagan who, after his reelection on 6 November, accused the Sandinist government of increasing its arms buildup, surmising that Nicaragua was planning a military offensive and even an invasion of El Salvador and Honduras.

Talks End; Results Confidential

PA210411 Managua Domestic Service in Spanish 0307 GMT 21 Nov 84

[Text] Mexico City -- The eighth round of the secret and direct talks between the United States and Nicaragua ended today in the Mexican port of Manzanillo without any indication of whether there was any positive advance or whether the situation remains the same, a diplomatic source said here at the end of the dialogue between Victor Hugo Tinoco, Nicaraguan deputy foreign minister, and U.S. Special Envoy Harry Shlaudeman which began in Manzanillo on Monday. U.S. Embassy and Mexican Foreign Secretariat sources refused to make any comment at the end of the dialogue. They just said as on previous occasions, the talks only lasted 2 days.

This was the first official meeting between the United States and Nicaragua after the elections held in their countries on 6 and 4 November, respectively.

A diplomatic source in Mexico said that, as in the previous meetings, the results of the talks will be confidential. Just as on previous occasions, the U.S. and Nicaraguan representatives arrived in and left Manzanillo without making any statements.

OFFICIALS SAYS U.S. 'SABOTAGING' CONTADORA EFFORT

PA220319 Managua Radio Sandino Network in Spanish 0000 GMT 22 Nov 84

[Text] Cartagena, Colombia -- Alejandro Vendana, secretary of the Nicaraguan Foreign Ministry, defended his country's right to acquire arms to defend itself from U.S. aggression, adding that the United States is sabotaging the Contadora Group's activities. Vendana told journalists in Cartagena that because President Ronald Reagan's administration is not willing to accept the loss of its military power in the region as proposed in the peace document for Central American, Reagan is sabotaging the organization's peace efforts. Vendana said that while the U.S. claims to support the peacemaking effort of the Contadora Group, internally it is creating conditions to block the signing of the peace document.

U.S. CITIZENS HOLD 24-HOUR PROTEST VIGIL

PA222135 Managua Radio Sandino in Spanish 1830 GMT 22 Nov 84

[Text] More than 200 U.S. citizens concluded a 24-hour protest vigil before their embassy in Managua with the firm commitment to renew their efforts to stop the Reagan administration's aggressive policy against Nicaragua. The members of the committee of U.S. citizens residing in Nicaragua defied the early morning cold weather and arrived at the embassy carrying placards demanding peace with dignity and an end to the intervention. For 24 hours the U.S. citizens took turns presenting individual testimonies.

The U.S. citizens have been holding weekly peace vigils for the past year. This vigil, their 52d, was extended for 24 hours in view of the real threat of an intervention against Nicaragua and to celebrate a traditional U.S. holiday, Thanksgiving Day. The demonstrators said that they will continue these protest demonstrations for the next 5 years if this is what is needed to bring about an end to the aid being given to the counterrevolutionaries and to stop the United States' economic, political, and military pressures against Nicaragua.

CASTRO ADDRESSES PHOTOGRAPHY COLLOQUIUM

FL221255 Havana Domestic Service in Spanish 1100 GMT 22 Nov 84

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has emphasized the contribution of photography to our people's progressive ideas during talks with delegates and guests of the Third Latin American Photography Colloquium being held in Havana. Fidel talked for over an hour to 400 delegates from 20 countries who are attending the colloquium, after meeting with delegates to the regional preparatory meeting of the world women's conference, also being held in Havana's Palace of Conventions.

The leader of the revolution referred to one of the papers presented, which points out how imperialist propaganda tries to distort the situation of some countries like Nicaragua and Cuba by the manipulation of photography. Fidel said this propaganda does not talk about child-care centers and special schools created by the revolution, free doctor's visits, the elimination of racial discrimination, and efforts for equal women's rights. He added that instead of photographing buildings which need to be painted, they should go to New York, Washington, and California to see children and adults begging and sleeping in the streets, and youths smoking marijuana.

He said ignorance, lies, and deceit are the main tools which imperialists use in the mass media they control to halt revolutionary ideas. Fidel was concerned about the frequency of photography colloquiums. He said: We like to support every effort of Latin American development, culture, and independence. Nothing can replace the knowledge which Cuba obtains by meeting with valuable figures of the area.

Finally, Fidel said meetings like the photography colloquium contribute to the unification and integration of Latin America. The photography colloquium's round of lectures and theory papers ended Wednesday. Today, its workshops are scheduled to begin.

CASTRO MEETS JAPAN COMMUNIST PARTY LEADER

FL211157 Havana Domestic Service in Spanish 1100 GMT 21 Nov 84

[Text] Commander in Chief Fidel Castro, party first secretary, today in Havana received Tetsuzo Fuwa, Japan Communist Party Presidium Chairman, who is visiting Cuba. During their fraternal meeting they talked about the international situation and matters regarding the existing ties between their parties. Jesus Montane Oropeza, alternate Politburo member and Secretariat member, also took part in the friendly meeting along with the rest of the Japanese delegation.

1985 SUGARCANE HARVEST BEGINS IN LAS TUNAS

FL211656 Havana Television Service in Spanish 1800 GMT 20 Nov 84

[Text] Cane cutting for the 1985 sugar harvest began this morning in fields that provide cane to the Colombia agricultural-industrial complex, located in Colombia, Las Tunas Province. The labor force that guarantees the crop for that sugar enterprise consists of 18 canecutting brigades and 29 cane combines. The potential cane grinding norm of the Colombia Sugar Mill, which will be the first in Cuba to start grinding operations, is 400,000 arrobas of cane daily. The canecutters plan to cut more than 320 arrobas of cane daily, and all the cane combine operators have pledged to struggle to reach 1 million arrobas. From the start, it has been observed that the canecutting personnel of the Colombia Sugar Mill are ready to meet the established technical norms in order to dedicate the best sugar harvest at that sugar mill to the third party congress.

FIRST-HALF 1984 EXPORTS TO U.S. RISE 29 PERCENT

FL222358 Bridgetown CANA in English 2212 GMT 22 Nov 84

[Text] Bridgetown, Barbados, Nov 22, CANA -- Exports to the United States by 10 Caribbean Community (Caricom) countries during the first six months of this year rose by 244.3 million dollars U.S. over sales for the corresponding period last year, according to official statistics. Sales climbed from 833.164 million dollars (U.S.) to 1077.360 million.

Jamaica's exports to the U.S. increased by 167 per cent from 97.398 million dollars (U.S.) to 260.054 million. The volume of Grenada exports skyrocketed by the largest percentage, 177 per cent, although that only meant going from 51,000 dollars (U.S.) in the first half of 1983 to 142,000 dollars this year. Barbados, with a newly burgeoning electronic assembly industry leading the way, jumped 108 per cent from 68.457 million dollars (U.S.) in 1983 to 142.380 million dollars in 1984. Antigua and Barbuda exports to the U.S. during the first six months of this year rose by 77 per cent from 2.664 million dollars to 4.712 million. St Lucia's were up 60 per cent, with exports at 3.162 million dollars in 1984 compared with 1.973 million dollars for the same period last year, while St Vincent and the Grenadines exports grew by 23 per cent to 1.925 million dollars in 1984 from 1.565 million dollars in 1983.

Oil-rich Trinidad and Tobago's exports increased by 2.215 million dollars (U.S.) from 651.396 million dollars in 1983 to 653.611 million. The only significant decrease, one of 61 per cent, was shown by Dominica whose exports dropped from 148,000 dollars (U.S.) last year to 57,000 dollars.

St Kitts and Nevis recorded a 17 per cent increase in exports to the United Stated during the first six months of this year, sales moving from 8.705 million dollars (U.S.) to 10.150 million. All the Caribbean Community countries combined showed an increases in exports to the United States of 29 per cent. The seven-member Organisation of Eastern Caribbean States (OECS) increased its first-half exports to the United States by 34 per cent from 15.5 million dollars to 20.8 million dollars (U.S.).

GRENADA

GAIRY ON DECEMBER ELECTIONS, GULP PLANS FOR COURTS

FL221750 Bridgetown CANA in English 1618 GMT 22 Nov 84

[By George Worme]

[Text] St George's, Grenada, Nov 22, CANA -- Former Grenada Prime Minister Eric Gairy says he favours a new trial for his supporters who were jailed after the 1979 leftwing coup that toppled his government. In an interview with CANA, Gairy said that if his rightwing Grenada United Labour Party (GULP) should win the December 3 general elections there would be no automatic freeing of supporters jailed for crimes allegedly committed during the party's rule. But according to Gairy, who returned home after an October 1983 U.S.-led invasion unseated the leftists, a GULP government would take the position that these prisoners should have the right to a free trial.

But Gairy said his party would abolish a controversial high court the leftists set up and again have Grenada sharing a judiciary with other small Caribbean states.

Gairy said people jailed by the leftists would be free to apply for a new trial not under the court system set up by the People's Revolutionary Government (PRG) but rather on the one stipulated in the Constitution.

Complaining that the court system was tampered with by the PRG, Gairy said that a GULP government would return Grenada to the West Indies Associated States Supreme Court. The PRG, he said, set up its own [passage indistinct]. The PRG passed people's law Number Four of 1979 establishing the Grenada Supreme Court to replace the West Indies Associated States Supreme Court System. This law placed the jurisdiction which was formerly exercised by the West Indies Associated States Supreme Court in the new Supreme Court of Grenada which consists of a high court and a court of appeal.

On what would be his party's attitude to those persons who staged the 1979 coup, Gairy said he expected his leftist opponents to subscribe to law and order and to keep quiet because we are not going to revenge anybody. We are not going to victimize anybody, but at the same time we say -- and we mean that -- no subversive attempts would be tolerated, he added.

Gairy also said that a GULP government would not attempt to outlaw any communist party on the island, perferring co-existence because we can live with them, if they behave themselves. Gairy, who is not contesting the elections, but is widely expected to be the power behind the government if the GULP wins the election, added: We are strong enough, and we have laws that are strong enough, and maybe we would have to touch one or two more to allow us to perform the governance of this country quite easily.

During the PRG's rule, fifty-two of Gairy's supporters were convicted, particularly of gross violation of human rights. The sentences handed down ranged from one to 16 years.

GAIRY APOLOGIZES FOR MISQUOTING REAGAN ON SUPPORT

FL221524 Bonaire Trans World Radio in English 1130 GMT 22 Oct Nov 84

[Text] Grenada's Sir Eric Gairy has sent a letter of apology to U.S. President Ronald Reagan concerning an advertisement by his Grenada United Labor Party [GULP] that misquoted Mr Reagan. The ad said Mr Reagan advised Grenadians to vote for the GULP in the December 3d electins. The U.S. State Department had strongly protested the false statement. Sir Eric's apology, which was delivered to the American charge d'affaires in Grenada yesterday, concerned an advertisement in the GRENADA GUARDIAN, which is published by the GULP. The party also released a statement in which it promised to abolish the additional export duties paid by farmers on nutmeg and cocoa if elected on December 3d. The duty was first levied as a war tax in 1942.

CDLP LEADER CRITICIZES NNP FOR WASTFUL SPENDING

FL221620 Bridgetown CANA in English 1546 GMT 22 Nov 84

[Text] St George's, Grenada, Nov 22, CANA -- Grenadians, who vote for a new government on December 3, will have to decide whether to vote for bread and butter issues or fall prey to the politics of money, according to the Christian Democratic Labour Party (CDLP). CDLP Chairman Gordon Robertson claimed that the money side in this election campaign is being represented by the centrist New National Party (NNP), a coalition of three moderate groups.

"Look at the elaborate pictures, posters, and handouts given away by the NNP today. One has clearly to understand where that money is coming from," he remarked.

Robertson said that at this time, when the country was struggling to recover from many problems, those politicians should put such resources to better use by trying to improve the lot of poor rural dwellers. We say to those people: Identify that money with the needs in the society, such as the unemployed, the distressed, the poor, and see that these peoples needs are well taken care of before you spend your money stupidly on posters and hand-outs, he said. Robertson said the CDLP, which is fielding only five candidates in the 15 constituencies, realizes it cannot form the government but intends to get its voice heard in parliament.

"...We are looking for some means of staking our claims in parliament to act and provide those checks and balances so necessary and so needed in todays democracy," He explained. "We think that with one CDLP candidate elected to the House of Representatives come December 3, the voice of the CDLP would be heard, and our programmes would have to be reckoned with."

ST LUCIA

CARICOM GOVERNMENTS FAIL TO HONOR COMMITMENTS

FL221452 Bridgetown CANA in English 2311 GMT 21 Nov 84

[Text] Castries, St Lucia, Nov 21, CANA -- St Lucia today expressed concern that Caribbean Community (Caricom) governments were not sticking to a commitment made four months ago to revive sagging intra-regional trade. Deputy Prime Minister George Mallet voiced his government's concern when the fifth meeting of the Economic Affairs Committee of the Organisation of Eastern Caribbean States (OECS), a subregional grouping, opened here.

Mallet, who is responsible for trade and industry, complained too about St Lucia's continuing deficit with Caricom trading partners and wondered what had become of the related agreements reached at this year's Caricom heads of government summit in the Bahamas. Those of us who were in Nassau in July will recall the hours we spent in an endeavour to devise a strategy for reviving trade within the region, and was likely to open the door for the restoration of intra-regional...free trade, he said. [as received]

Mallet said: Four months later today some of us are questioning whether those actions which we are expected to take will indeed re-establish free trade within the region. Is there still with all Caricom members a continuing commitment to that package and preparedness to abide by all its requirements, he added.

The minister said that St Lucia's answer to this question did not exude a surfeit of confidence. Since Nassau, and as a deliberate policy aimed at increasing regional trade and using the licencing (system) as the device, St Lucia has sought to redirect trade to the Caricom countries, and the implementation of this policy has already begun to bear fruit, Mallet said. Mallet said he regretted that St Lucia's recent trade statistics showed no real evidence of reciprocity by Caricom trading partners. In relation to our trade with the more developed countries in particular, our position has worsened as we have been buying more but selling less, and selling less within Caricom when our goods are not only available for export but are in demand and our prices are competitive, the trade minister lamented. He added that this was particularly so in the case of Trinidad and Tobago, where for the first months of 1984 as compared to the same period in 1983, our imports rose by 51.4 per cent and our exports fell by 31 per cent. As a result, our trade deficit in relation to that member country rose by 210 per cent.

Mallet said that if the island excluded purchases of petroleum products, which were substantial, St Lucia would still have an adverse trade balance with Port of Spain. He said he was certain that St Lucia was not the only Caricom state so affected and stressed that if regional trade was to be revived there must be clear evidence of reciprocity.

DEMONSTRATORS PROTEST U.S. NICARAGUAN POLICY

FL211238 Bonaire Tans World Radio in English 1130 GMT 21 Nov 84

[Text] More than 300 people in Georgetown, Guyana, shouted slogans and picketed the U.S. Embassy in protest of the U.S. Administration's policy toward Nicaragua's Sandinist government. The nonviolent demonstration on Monday lasted 3 hours and was headed by Guyana opposition leader Cheddi Jagan. Protesters shouted slogans and carried placards demanding that Washington end its support for rebels trying to overthrow the Sandinist regime.

BURNHAM PLEASED WITH RELATIONS WITH USSR

FL212006 Bridgetown CANA in English 1909 GMT 21 Nov 84

[Text] Georgetown, Guyana, Nov 21, CANA -- President Forbes Burnham says Guyana's relations with the Soviet Union have improved over the last year and today are a fitting tribute to their joint commitment to international peace and social justice. His comments were made to the Soviet leadership in a message the text of which has been released here.

On the occasion of the Soviet national day, Burnham told Moscow: This happy occasion affords me the opportunity to express my government's satisfaction with the manner in which our relations have progressed over the past year. The relations that now exist between our two countries are a fitting tribute to our commitment to the struggle for the realization of an international environment of peace and social and economic justice.

I am confident that the mutuality of interest and the spirity of cooperation that characterise our relations will provide a solid foundation for the exploration of new areas of meaningful cooperation. All Guyana joins me in wishing you, your government, and people continued success in your efforts to consolidate the gains of the revolution.

At a rally here to mark the same occasion, the 67th anniversary of the Russian revolution, Minister of National Mobilisation Robert Corbin hailed the Soviet achievements as a beacon not only to the people now comprising the Soviet Union but to the world...all freedom-loving people, to rid itself of exploitation of man by man. The revolution has provided the oppressed, the exploited, and the colonised, proof of what can be accomplished when a nation is united, Corbin said.

History has revealed how many other countries have emulated the Soviet example by ridding their countries of sources of political oppression. He said the revolution has served as a catalyst to stimulate other leaders involved in anti-colonialism struggles.

The Soviet Charge D'affairs to Georgetown Boris Trofimov, lauded Guyana for its stand on the Grenada situation in October 1983. Guyana strongly condemned a U.S.-led invasion to St George's following the assasination of Prime Minister Maurice Bishop and several other people by the Army.

Trofimov accused Washington of trying to halt the revolutionary phenomenon now sweeping the Caribbean and other parts of the world.

Guyana, he said, was itself a target of economic aggression.

PERU

PERUVIAN-U.S. CULTURAL CENTER DAMAGED BY BOMB

PY211340 Lima Televisora Lima in Spanish 0400 GMT 21 Nov 84

[Text] Members of the Republic Guard arrested two alleged terrorists in the [name indistinct] neighborhoods when they found them carrying arms and subversive material. Moreover, two explosive devices damaged the premises of the Labor Ministry and the Peruvian-U.S. cultural center in Piura.

CIVIL GUARD DIRECTOR RESIGNS OVER MISUSE OF FUNDS

PY221410 Lima Cadena Panamericana Television in Spanish 0300 GMT 22 Nov 84

[Excerpt] The former Civil Guard director, General Juan Balaguer, has admitted to having deposited funds allocated for this institution in private banking institutions when, according to law, he should have done so in the bank of the nation. Balaguer stated that he had not been dismissed and that he had voluntarily resigned his post so that investigations may be carried out normally.

URUGUAY

PRESIDENTIAL CANDIDATE SUFFERS CEREBRAL HEMORRHAGE

PY221800 Montevideo El Espectador Network in Spanish 1600 GMT 22 Nov 84

[Excerpt] Colonel Nestor Bolentini is currently undergoing surgery in an attempt to save his life. The presidential candidate for the Patriotic Union, who went into a deep coma after suffering a cerebral hemorrhage at predawn hours in Mercedes, is being operated on by a team of neurosurgeons at the military hospital in Montevideo. The presidential candidate last night was at Radio Station Rochense taking part in a public radio program when his blood pressure suddenly rose causing him to faint and then suffer a hemorrhage. Bolentini was immediately taken to the intensive care unit of the hospital in Mercedes where he received first aid treatment and this morning was brought to the Central Military Hospital in Montevideo in a mobile cardiac intensive care unit.

[Madrid EFE in Spanish at 2350 GMT on 22 November adds: Nestor Bolentini, presidential candidate for the rightist Patriotic Union, died today at a military hospital in Montevideo.]

VENEZUELA

FOREIGN CREDIT CLASSIFICATION UPGRADE CONFIRMED

PA211826 Caracas EL NACIONAL in Spanish 10 Nov 84 p A 1

[Text] Finance Minister Manuel Azpurua confirmed yesterday that the Reserve Board (Central Bank) and the U.S. Federal Corporation of Bank Deposits Insurance have agreed to eliminate the substandard classification on credits granted to Venezuela and to reclassify them as normal credits. Minister Azpurua said that this measure shows that the recent agreement reached between Venezuela and credit banks to renegotiate the Venezuelan Government's foreign debt and the efforts made to advance in the process of registering the private sector's legally acquired foreign credits as well as the payment of interest have been taken into consideration.